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Vol. 3



H. S. Crawford, C. J. 2 copies
112 Barry Alley, 10125-103 St.

IN THE MATTER OF The Public Inquiries Act, being Chapter 258 of The Revised Statutes of Alberta, 1955, and Amendments thereto; and,

IN THE MATTER OF an Inquiry by a Royal Commission into the matters set out in Order-in-Council 861/67 respecting the use or attempted use by the Honourable Alfred J. Hooke of his office as a member of the Executive Council of Alberta, and the use or attempted use by Edgar W. Hinman of his office as a member of the Executive Council of Alberta.

PROCEEDINGS BEFORE
THE HONOURABLE MR. JUSTICE
W. J. C. KIRBY

C. W. CLEMENT, Esq., Q.C.,	Commission Counsel
S. A. FRIEDMAN, Esq., Q.C.,	Departments of Government
S. H. McCUAIG, Esq., Q.C.	E. W. Hinman, Esq.
L. MAYNARD, Esq., Q.C.,	The Honourable Alfred J. Hooke
W. B. GILL, Esq., Q.C.,	G. A. Turcott, Esq.
	Mr. Neil Reimer
G. A. C. STEER, Esq., Q.C.	Dr. C. A. Allard
D. H. BOWEN, Esq., Q.C.	Liberal Association of Alberta
N. S. CRAWFORD, Esq., and	Progressive Conservative Party of
J. D. HILL, Esq.	Alberta
G. S. D. Wright, Esq.	Alberta New Democratic Party

W. ALAN SHORT, ESQ.,
Clerk to the Commission.

VOLUME No. 3

DATE September 13, 1967
(Pages 150 - 275)

Supreme Court Reporters
EDMONTON, ALBERTA

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Examination by Mr. Clouston

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IN THE MATTER OF The Public Inquiries Act, being Chapter 258 of The Revised Statutes of Alberta, 1955, and Amendments thereto; and,

IN THE MATTER OF an Inquiry by a Royal Commission into the matters set out in Order-in-Council 861/67 respecting the use or attempted use by the Honourable Alfred J. Hooke of his office as a member of the Executive Council of Alberta, and the use or attempted use by Edgar W. Hinman of his office as a member of the Executive Council of Alberta.

PROCEEDINGS BEFORE
THE HONOURABLE MR. JUSTICE
W. J. C. KIRBY

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G. S. D. Wright, Esq.	Alberta New Democratic Party

W. ALAN SHORT, ESQ.,
Clerk to the Commission.

VOLUME No. 3

DATE September 13, 1967
(Pages 150 - 275)

Supreme Court Reporters

EDMONTON, ALBERTA

IN THE MATTER OF THE ESTATE OF JAMES H. HARRIS, DECEASED
 Executor: JAMES H. HARRIS, JR.

BY THE COURT: The Court has considered the petition of the executor, James H. Harris, Jr., for the appointment of a receiver to take possession of the real estate of the decedent, James H. Harris, deceased, and has granted the same. It is ordered that the said receiver be appointed, and that he do take possession of the real estate of the decedent, James H. Harris, deceased, and that he do manage and dispose of the same in accordance with the directions of the Court.

PROCEEDINGS BEFORE THE HONORABLE MR. JUSTICE W. J. C. KELLY

James H. Harris, Jr.	Plaintiff
Department of Lands and Forests	Defendant
James H. Harris, Jr.	Plaintiff
Department of Lands and Forests	Defendant
James H. Harris, Jr.	Plaintiff
Department of Lands and Forests	Defendant
James H. Harris, Jr.	Plaintiff
Department of Lands and Forests	Defendant
James H. Harris, Jr.	Plaintiff
Department of Lands and Forests	Defendant
James H. Harris, Jr.	Plaintiff
Department of Lands and Forests	Defendant
James H. Harris, Jr.	Plaintiff
Department of Lands and Forests	Defendant
James H. Harris, Jr.	Plaintiff
Department of Lands and Forests	Defendant

W. J. C. KELLY, J.
 Judge of the Court

VERIFIED AS
 TRUE, Subscribed and sworn to before me
 at Toronto, Ontario, this 1st day of January, 1917.

Notary Public for Ontario
 My Commission Expires 1st January, 1918

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P. S. Kaplain - Wright Ex.

PROCEEDINGS before The Honourable
Mr. Justice W. J. C. Kirby, this
13th day of September, A.D.1967, at
9:00 o'clock in the morning, at the
Court House, in the City of Edmonton,
Province of Alberta.

THE COMMISSIONER: It has been drawn to my attention that
the acoustics in this room are not of the best and that
some members of the public are having difficulty in hearing
what is transpiring, so therefore I would ask witnesses
being examined to speak up, and I would ask counsel likewise
to speak up, so that anyone sitting in this courtroom can
hear them to best advantage.

Mr. Kaplain.

PAUL SHEPHERD KAPLAIN, recalled, examined by Mr. Wright:

MR. WRIGHT: Mr. Commissioner, I intimated by
sitting down yesterday that I had finished and I have
thought of a couple of questions that I should have asked,
if I could be allowed?

THE COMMISSIONER: Yes, certainly.

Q MR. WRIGHT: Mr. Kaplain, you acknowledge you are
still on oath, of course?

A Yes.

Q Do you know whether in fact Mr. Hooke did complete
arrangements with the Treasury Branch to finance the
purchase of the land from you?

A Well, to the best of my knowledge after I informed Mr.
Hooke that I was not interested in any kind of propositions
and I wanted cash only, he made the statement to me that

1-B-2

P. S. Kaplain - Wright Ex.
- Maynard Ex.

A (cont.) "Well, he and Mr. Weber would arrange financing through the Provincial Treasury Branch."

Q Yes, and you never heard, did you ever hear anything to the contrary?

A I never heard from Mr. Hooke after that.

Q Yes, and do you have any knowledge of whether Mr. Weber, well, of course, he is now dead, but the firm would have a file on this matter?

A Oh, they should have had a file.

Q Yes.

A Being a real estate transaction it would only be proper to have a file.

Q Yes, but you don't know whether in fact they do?

A No, I don't.

Q Thank you, Mr. Kaplain.

THE COMMISSIONER: Mr. Maynard?

MR. MAYNARD EXAMINES THE WITNESS:

Q Mr. Kaplain, when was the first occasion that Mr. Hooke called on you in connection with the purchase of the property?

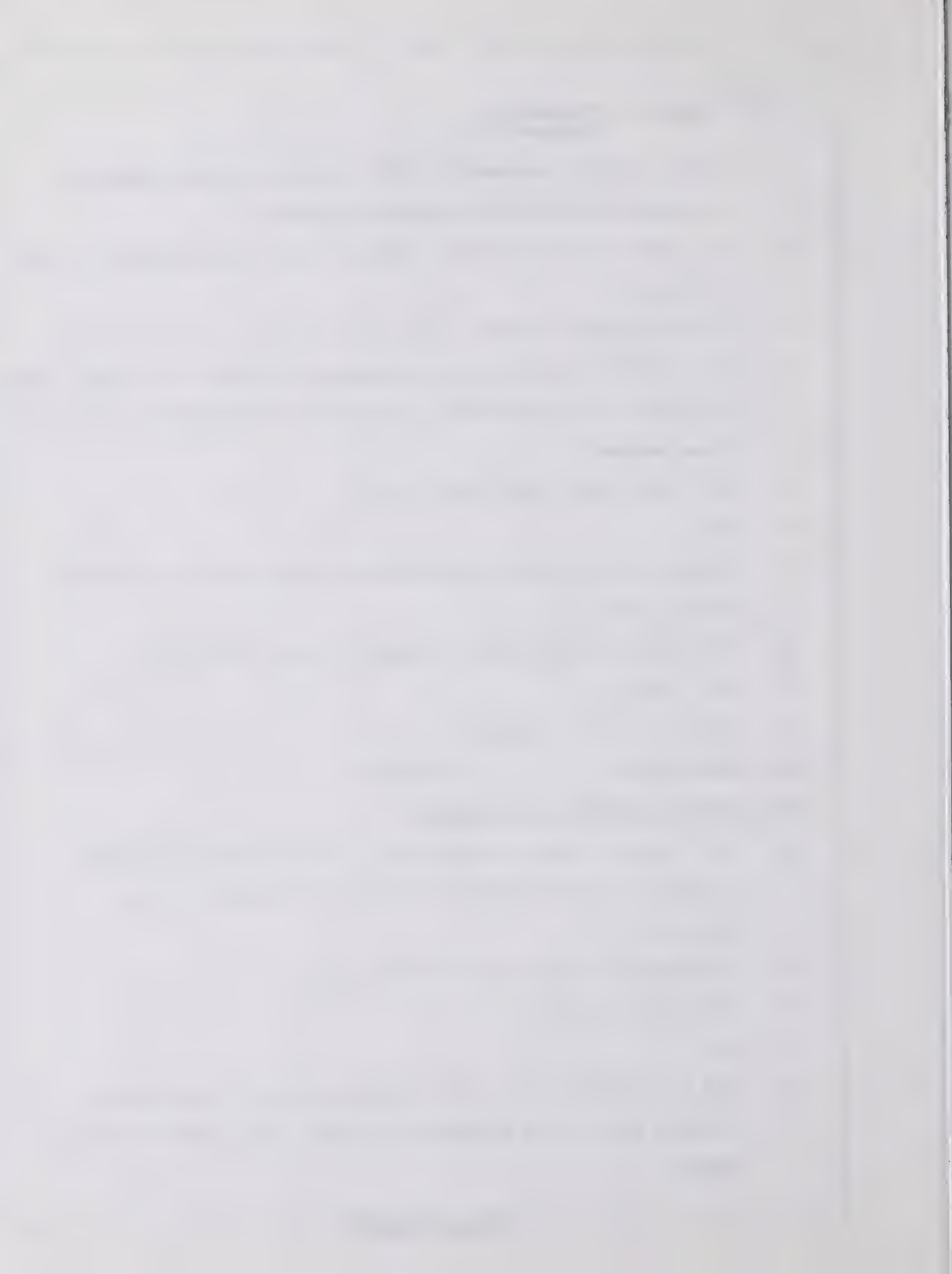
A It would be in the fall of 1951, sir.

Q The fall of 1951?

A Yes.

Q And you describe the "fall" as starting in what month?

A I would say it was probably in August, the latter part of August.



1-B-3

P. S. Kaplain - Maynard Ex.

Q The latter part of August 1951?

A Yes.

Q That was the first contact you ever had with Mr. Hooke?

A Yes, it was.

Q And it was, who was with Mr. Hooke on the occasion of this first contact?

A No one, sir.

Q He went out alone?

A By himself.

Q And did he meet you alone?

A Yes.

Q And was this the occasion on which you brought up the bottle of whisky?

A No.

Q And when was your next contact with Mr. Hooke personally?

A I would say probably a week later.

Q Would you remember about what time in August that Mr. Hooke was there?

A No.

Q The beginning or the end of August?

A It would be towards the end of the month, sir.

Q The end of the month?

A Yes.

Q What was the nature of the discussion you had on this occasion with Mr. Hooke?

A He introduced himself to me and advised me that he had been

1-B-4

P. S. Kaplain - Maynard Ex.

A (cont.) told the farm was for sale and he was interested in buying the farm.

Q Was there any discussion as to terms and purchase price?

A I don't remember.

Q You don't remember?

A No.

Q So it was a discussion of a most general nature?

A Just general, I naturally was very interested because I was anxious for a buyer, and if my memory serves me correct I proceeded to show him around the property and show him the buildings and the way they were all lined up in just one square block.

Q And there was no discussion as to the total purchase price you were asking?

A I can't remember whether we talked price at that time or not, sir.

Q Now, you advertised your farm in the Edmonton Journal; was this in the classified section of the Edmonton Journal or was it a box type of advertising?

A It would have been in the classified as I know it today, I didn't at the time, of course, but it was just a plain ordinary "For Sale" ad.

Q Mr. Kaplain, I am sorry, I have difficulty hearing you and I am sure the people at the back have moreso. Could you speak up just a little louder?

A Very good.

Q Now, I didn't get your answer as to the type of advertising,

1-B-5

P. S. Kaplain - Maynard Ex.

Q (cont.) as to whether it was classified advertising or box advertising?

A No, it would just be classified advertising.

Q Did you ever have any box advertising at any time in the Journal?

A No, I didn't.

Q And in this ad in the Journal did you mention any price?

A No, I didn't.

Q And when Mr. Hooke went out you never discussed price with him on this first occasion?

A I don't think we talked the price at all, I don't remember though.

Q Did you ever discuss the total purchase price with Mr. Hooke personally?

A Oh, yes, I did.

Q Before you were contacted by Weber Brothers or after?

A No, this was after Weber Brothers.

Q After?

A Yes.

Q Now, you told us yesterday that you were asking \$110,000.00 for the property?

A That was complete as a going concern.

Q Yes, and you never gave Mr. Hooke any indication that this is what you wanted?

A I must have.

Q One hundred and ten thousand?

A I must have.

1-B-6

P. S. Kaplain - Maynard Ex.

Q Then you did discuss total purchase price?

A But not the first day that he came out, sir.

Q Later?

A At a later date we discussed price I am sure, I don't think we discussed price the first visit he made.

Q Did you receive any other offers for the sale of the farm as a going concern?

A Not as a definite offer, no.

Q You received some indication as to the price that people might be interested to pay?

A Oh, a lot of people expressed interest but nobody had the required amount of money that I was asking.

Q Was there ever any mention made of a specific price by any one of these people who were interested or showed some interest?

A No, they didn't.

Q And you never, did you make any, give any indication to them as to what you were asking?

A Oh, definitely.

Q Did you give any indication to them as to what you were asking for the property without the livestock and machinery?

A Yes, I did, to several of the prospective purchasers.

Q And what was that figure?

A Again I have to go from memory but I think the machinery and stock were somewhere in the vicinity of \$30,000.00.

Q And you were asking how much for the land and the buildings without machinery and stock?

1-B-7

P. S. Kaplain - Maynard Ex.

A Well, I was asking a hundred and ten total as a going concern.

Q My question, Mr. Kaplain, was this: did you ever mention any figure, any specific figure to any prospective buyer of the property itself without the machinery and the livestock?

A Yes, I would have, in discussing the sale of the land to the prospective purchasers I naturally would have suggested a price without the stock and machinery, or a price including the stock and machinery.

Q I ask again, what was the price you were suggesting for the sale of the property alone without -

A I can't remember, I am only assuming a guess that the stock and machinery was in the vicinity of \$30,000.00.

Q Do you know Mr. Whitla?

A Yes.

Q Do you know him well?

A No, I don't know him well.

Q Have you known him for a long time?

A Quite a number of years, yes.

Q Did you know him in 1951?

A Yes.

Q What was your hesitation when I first asked you if you knew Mr. Whitla?

A There was no hesitation.

Q Did Mr. Whitla ever approach you in 1951 concerning the sale of your property?

A I met Mr. Whitla on the street and I knew he was a real

1-B-8

P. S. Kaplain - Maynard Ex.

A (cont.) estate agent, and I stopped him and told him that my farm was for sale.

Q When was this?

A It would be in '51.

Q The spring, the summer, the fall?

A It would be in the summer of '51.

Q Before you were approached by Mr. Hooke?

A That's right.

Q Now, at this time, Mr. Kaplain, you were operating the farm and you were also a car dealer?

A I was, yes.

Q And where did most of your income come from, the farm or your car dealer business?

A The biggest portion of the income came from the farm at that time.

Q The car dealer business, was this a used car or a new car business?

A Both.

Q Both, and what type of car, new car?

A New cars, I was a subdealer for Chevrolets.

Q Chevrolets?

A Yes.

Q I think you indicated yesterday that you were in somewhat financial difficulties?

A I was.

Q And did you owe any money to Weber Brothers?

A I did.

1-B-9

P. S. Kaplain - Maynard Ex.

Q How much?

A I don't remember exactly.

Q Would the figure of \$30,000.00 plus be pretty close?

A You could be right, sir.

Q And in your transaction with Weber Brothers was this amount that you owed Weber Brothers taken into consideration in the payment of the farm?

A No.

Q Was any deduction made from the total purchase price for the amount you owed Weber Brothers?

A No.

Q None whatsoever?

A None whatsoever.

Q You also had difficulties at this time with the Income Tax Department, I understand?

A Very minor difficulties.

Q Your difficulties had arisen before this?

A Well, they were bookkeeping problems, nothing more.

Q Just bookkeeping problems?

A Just bookkeeping problems.

Q Was the amount of the bookkeeping problem substantial?

A No, not in the final analysis.

Q Would you care to set a figure on it?

A Oh, it was less than a thousand dollars.

Q Less than a thousand?

A Yes.

Q So that there was no relationship between the thirty

1-B-10

P. S. Kaplain - Maynard Ex.

Q (cont.) thousand you might owe Weber Brothers and the Income Tax claim?

A No, none whatsoever.

Q Right. Now, in the, in the sale or before the sale you stated that you had placed some \$70,000.00 of improvements on the property?

A I had.

Q Without giving specific details as to the cost of each improvement, could you outline the nature of the improvements that you made?

A Yes. I built a new house; new dairy barn; new horse barn; new machine shed; new chicken house; and eight field granaries, besides putting in two deep water wells.

Q And any fencing?

A Fencing was repaired, not replaced.

Q Can you give me a figure of just one item, the expenditure on the chicken coop?

A It was in the vicinity, and I am only going from memory now, the chicken house itself in size, just to give you an idea, was a hundred by four hundred and it contained three full stories. Now, that building was in the vicinity of \$20,000.00.

Q You had insurance on it?

A Yes.

Q For what amount?

A I think fifteen thousand, but again I don't remember.

Q And I understand the chicken coop was lost in a fire?

1-B-11

P. S. Kaplain - Maynard Ex.

A After the property was all vacant, yes.

Q I am sorry, after which?

A After the property had been vacated.

Q But before it was sold?

A Yes.

Q I think we should clarify a point, a point on which I am a little confused.

A Well, all the stock and machinery and poultry and everything had all been sold and the chicken house was just sitting there vacant.

Q Yes, but you said that the fire occurred after the property, the chicken coop was vacant?

A That's right, that's what I meant.

Q I am a little confused in this respect, you said yesterday that you had given possession to Weber Brothers after the sale had been completed; now, of course, there is no direct relationship between vacancy and possession, but when did you vacate the property?

A I am not sure of the exact date, sir.

Q Well, approximately when, was it in the spring of '51?

A No, it was in the fall and I believe it was in September, although I am not sure.

Q September 1951?

A That's right.

Q Did you vacate it before you signed the agreement to sell to Weber Brothers?

A No, I had signed the proper documents and then vacated after

1-B-12

P. S. Kaplain - Maynard Ex.

A (cont.) that.

Q You signed the documents?

A That's right.

Q For the sale of the property to Weber Brothers?

A That's right.

Q And then you vacated the property?

A After that, yes.

Q And the fire occurred?

A The fire occurred in the interim.

Q Between the signing of the documents and sale to Weber Brothers and your vacating the property?

A Sometime in there, yes.

Q Was there any adjustment in the price to be paid by Weber Brothers as a result of the fire and the loss of the chicken coop?

A No, none whatsoever.

Q Who collected the insurance?

A Weber Brothers.

Q And you had nothing to do with the insurance at all?

A Nothing at all.

Q So that in effect then you sold a piece of property for which you had paid \$12,000.00 and on which you had spent \$70,000.00, a total of \$82,000.00, for \$42,500.00?

A That is correct.

Q Was this debt that you owed Weber Brothers a pressing debt at that time?

A Not pressing to the extent of where they were threatening

1-B-13

P. S. Kaplain - Maynard Ex.

A (cont.) me or anything.

Q They were not insisting on payment?

A No.

Q And as a matter of fact they, you said that they did not deduct any part of the purchase price or the sale price from the amount you owed them?

A That is correct.

Q Well then, you undoubtedly had other obligations at the time?

A I beg your pardon?

Q You undoubtedly had other obligations at the time?

A Yes, I did.

Q And it was these other obligations that were pressing you?

A Well, one in particular was pressing me that I wanted to dispose of.

Q A large one?

A Not too large, no.

Q The amount?

A It was about \$11,000.00.

Q \$11,000.00?

A \$11,000.00, yes.

Q A substantial amount; and is this the reason then why you sold the property at such a loss?

A That is correct.

Q What did you realize on the sale of your machinery and livestock?

A I don't remember, sir.

1-B-14

P. S. Kaplain - Maynard Ex.

Q Thirty thousand?

A It was in that general neighbourhood but again I have to say I don't remember.

Q Well, that is the figure that you indicated a moment ago?

A That we were asking for it.

Q Yes, but you do not recall just how close you came to the asking figure?

A No, I don't; it was not too far away from what we had as a hope to get.

Q I understand, Mr. Kaplain, that as a car dealer you were a very shrewd businessman?

A I can't answer that, as to that.

Q You have never heard yourself being referred to as a very good businessman and a shrewd businessman?

A No, not to my knowledge, sir.

Q But you still consider it was good business on your part to sell the farm for this kind of a loss?

A I had no choice.

Q Fine. Now, in your experience as a real estate, in the real estate business, have you had opportunity of selling much farm property?

A Not a great deal of farm property, sir; I didn't specialize in farm properties.

Q Have you sold any farm properties?

A Yes, I have.

Q And in these transactions have you ever noticed if farmers would also take a loss on the sale of their farm properties?

1-B-15

P. S. Kaplain - Maynard Ex.

A Not that I am aware of, no.

Q In relation to the improvements that they have put on, of course, that is what I am referring to?

A No, they always wanted or tried to get their price.

Q Yes, they always tried to, and did they always succeed?

A I don't know, sir, my experience with selling farms has been very limited.

Q Very limited. Now, let me take you back to the meeting you had with the Secretary of the Municipality, Mr. Hawkins, in 1951, when you applied to Mr. Hawkins for, or when you discussed with Mr. Hawkins the subdivision of the property; do you recall when these discussions with Mr. Hawkins took place?

A No, it would be in the morning, I remember going up to see him in the morning.

Q Well, yes, but what time of the year was it?

1-M-1

P. S. Kaplain - Maynard Ex.

A I don't know sir.

Q You said yesterday it was late summer. Now, I would be interested to know what you consider late summer, whether you consider June late summer or September late summer?

A Oh, I would consider at the end of July or the beginning of August as late summer.

Q The end of July to the end of August?

A Somewhere in that time. How can I remember exactly?

Q You don't remember whether it was July or August?

A Well, I remember this, that I hadn't made any attempt to sell the farm at that time.

Q And you had not yet been approached by Mr. Hooke at that time?

A No, I hadn't.

Q How long were you in Mr. Hawkins' office?

A Maybe five minutes.

Q Five minutes?

A That's right.

Q Did you know Mr. Hawkins very well?

A No, just enough to say hello to, and that's all.

Q And you did not think it would be worth while discussing the matter with him more than five minutes?

A At that time I didn't know enough about it, sir.

Q And you made no attempt to obtain any information about it?

A Well, I did what I thought was the right thing to do, and when I was told that there would be no possibilities that was the end of it as far as I was concerned.

1-M-2

P. S. Kaplan - Maynard Ex.

Q So that in effect you dismissed in a five-minute conversation any possibility that you might have dreamed of subdividing the property?

A That is correct.

Q And yet it was a very important decision to take?

A A very important one and a very stupid one as far as I was concerned.

Q Who else did you see with Mr. Hawkins on this occasion?

A No one.

Q Were you in Mr. Hawkins' private office?

A I don't think we even met in his office. I think we were -- if I remember correctly we were standing talking over a counter.

Q Now, yesterday you indicated that based on the prices of the selling of the lots, from \$175.00 to \$500.00, Mr. Hooke stood to make a profit of \$150,000.00 on the purchase of your land. I understood you correctly in that respect?

A I said in my way of figuring.

Q In your way of figuring?

A Yes.

Q Mr. Hooke stood to make \$150,000.00?

A That is correct. By this time I was in the real estate business.

Q Yes?

A And knew a little bit about it.

Q And of course, naturally it would be a little annoying to you to have to sell property at a loss and see somebody else

1-M-3

P. S. Kaplain - Maynard Ex.

Q (Cont.) make a profit of \$150,000.00?

A Not at all, sir; I am not an envious man.

Q Well, did --- in any of your experience in the real estate business have you had anything to do with the sale of land that was subsequently subdivided or was in the process of being subdivided at the time you handled the sale?

A No, not in a subdivision, sir.

Q You have nothing to do with subdivision of property?

A Nothing whatsoever.

Q Would you have any knowledge of the method or the procedure in which properties are subdivided and the sale and purchase of unsubdivided property and the re-sale of subdivided property, or property for subdivision purposes?

A Oh, I have now, yes; I am quite familiar with the entire procedure, sir.

Q You have now?

A Yes.

Q Well then, is it not common practice that if a person is going to subdivide, is going to develop a piece of property, he must be able to make a profit out of the transaction himself; otherwise he is not interested in buying?

A That's true.

Q And consequently, if anyone was going to subdivide the Sherwood Park area, or the Campbelltown area, or your farm, unless he were in a position to make a profit he would not be interested in buying from Mr. Hooke; is that correct?

1-M-4

P. S. Kaplain - Maynard Ex.

A It has to be correct.

Q And in the final analysis, according to your way of thinking, if anyone made \$150,000.00 profit out of the transaction and the selling of lots for \$175.00 to \$500.00, it would stand to reason that Mr. Hooke could not personally have made that amount of money himself.

A This is something I do not know, sir, whether Mr. Hooke made these monies or not; I don't know.

Q I am asking you from your experience that you state you now have in connection with subdivision whether the man in between stands to make as much money as the man in the final end of the transaction.

A No, the man that has the final development is the man that is going to make the money.

Q Consequently under normal circumstances and normal procedure, if the man in the final transaction of the subdivision of your property stood to make \$150,000.00, it stands to reason Mr. Hooke could not possibly have made \$150,000.00 also?

A Again I have to answer that: I don't know.

Q You could, but you don't want to answer it. I am interested in the discussions you had concerning the Treasury Branch loan. In your business as a car dealer did you ever sell cars on credit?

A Oh, yes.

Q And what would happen to those notes once you sold them on time?

1-M-5

P. S. Kaplain - Maynard Ex.

A They were endorsed by myself and I would be responsible until the note was paid for in full.

Q And when the man who bought the car paid off the note you were not obliged to pay anything yourself?

A No.

Q And did you have any experience as -- in the real estate business -- of transactions in which --- of a similar nature where land --- where properties were sold with mortgages?

A Not in real estate --- I have to admit I was very, very dumb in real estate at that time.

Q I'm not talking about at that time, I'm talking about now. I understand you are a very shrewd businessman in the real estate business also.

A Well, would you repeat your question, please?

Q I will put it in a different way.

A Okay.

Q Have you ever had any experience in the sale of property where a mortgage was taken out to cut down the total purchase price required to put the transaction through?

A Oh, yes, numerous occasions.

Q And on some occasions the mortgage monies are advanced to the owners of the property?

A Yes.

Q And then the purchaser pays -- makes the down payment and assumes the payment of the mortgage?

A That is correct.

1-M-6

P. S. Kaplain - Maynard Ex.

Q And in the transaction that was discussed with you, you say, by Mr. Hooke and Mr. Weber, one or the other, or both, whereby a loan would be obtained from the Treasury Branch if you were to apply for it, was it your understanding that the purchaser of the property would then assume responsibility for the payment of this loan?

A Well, that was the only way I could understand it.

Q Right, right; and then, the headlines that we had in the paper yesterday: loan deal offered with no repayment -- is not a proper interpretation of your remarks, would you say, Mr. Kaplain?

A I didn't even read that, sir; I'm sorry.

Q Well, I'm showing it to you now. Loan deal with no repayment -- that is not a proper interpretation of your remarks either yesterday or today as to the purpose of the Treasury Branch loan?

A No, I wouldn't say that. I was --- tried to be talked into making application for this loan -- it would be granted and I would have no responsibility whatsoever.

Q Exactly. You would have no responsibility whatsoever, but the loan would be repaid, in the normal course of events in the same manner as mortgages are repaid -- .

A It could very well be, but I wouldn't have any part or parcel of it.

Q You would have no responsibility for the repayment of the loan yourself?

A None whatsoever.

1-M-7

P. S. Kaplain - Maynard Ex.

Q And you have already indicated that that is a common practice when properties are sold where mortgages are taken out by the vendor, and the purchaser assumes payment of the mortgages?

A No, but in ordinary procedure the purchaser would go and make application for the mortgage. In this case here they wanted the vendor, which was myself -- .

Q Mr. Kaplain, as a real estate person you should know that the two types of procedure are followed: in some cases the vendor makes the application for the mortgage and gets it -- .

A True.

Q In other cases the purchaser makes the application for the mortgage and gets it.

A True.

Q When was this proposition about the Treasury Branch loan put up to you for the first time?

A It would be several weeks after Mr. Hooke had made his first visit there.

Q Several weeks?

A Yes.

Q And who put it up to you?

A Mr. L. A. Weber.

Q Mr. L. A. Weber?

A That's right.

Q And he is now dead?

A That is right.

1-M-8

P. S. Kaplain - Maynard Ex.

Q I'm interested in the question of time. You say, several weeks. What would you mean by that? Two weeks or five weeks or more?

A Well, it wouldn't be a month.

Q It would not be a month?

A No.

Q So it would be two to three weeks?

A Two to three weeks.

Q And your first visit from Mr. Hooke was in late August, you indicated?

A I would have to again say that I am guessing, but I think that that is correct.

Q And the transfer you signed with Mr. -- with Weber Bros. was on September 8th, 1951?

A That is correct.

Q So there was not too much time between your first visit from Mr. Hooke and the conclusion of the documents of the deal with Weber Bros.?

A No, I believe I said yesterday the whole thing sort of finalized and resolved itself in about a month.

Q Within a month?

A About a month.

Q And within two weeks or a matter or two or three weeks?

A That is right, sir.

Q I'm taking from the end of August to the 8th of September -- I'm not trying to pin you down, Mr. Kaplain -- .

A I wish I could remember the exact dates, sir, but I can't.

1-M-9

P. S. Kaplain - Maynard Ex.

Q So do I. However, we can't and it's quite understandable. 1951 is a long time, and it's most difficult to remember and I think you have been doing very well, as a matter of fact; but it could be less than a month, it could be a matter of two or three weeks between the visit you received from Mr. Hooke on the first occasion and the final deal of signing the agreement with Weber Bros.?

A That's right.

Q Now, in that period of time you mention that Mr. Hooke -- I'm sorry -- my mistake. When did Mr. Hooke go out to see you with Mr. Taylor? Before the acquisition of the property by Weber Bros., or after?

A Before, sir.

Q Now, you told us earlier that Mr. Hooke had been back a second time about a week after the first time.

A I said I thought it was about a week; it could have been two or three days. Who keeps track or that close a track of time?

Q And when did Mr. Hooke go out there with Mr. Arnold?

A This was before the property was purchased.

Q Before the sale was completed?

A Yes, before.

Q With Weber Bros.?

A Yes, before I had completed the sale.

Q And when was Mr. Hooke out there with these other Cabinet Ministers whose names you don't recall?

A This was all approximately the same time, sir -- or within

1-M-10

P. S. Kaplain - Maynard Ex.

A (Cont.) a period of a few days of each other.

Q And you told us that you were not there when these other Cabinet Ministers were present?

A No.

Q Now, who told you that Mr. Hooke was out there with these other Cabinet Ministers?

A The hired hand that I had on the farm.

Q But you were there when Mr. Taylor was there?

A I was there and met Mr. Taylor, and I met Mr. Arnold.

Q Do you know Mr. Taylor personally?

A I know him to say hello to.

Q You would recognize him if he were -- ?

A If he was in the court room, yes, I would recognize him.

Q So there's no question about any misunderstanding?

A No.

Q That the person you met was Mr. Taylor?

A That is right.

Q Now, in this period of time when is it that Mr. Hooke went back to you, you say, with a bottle? Was it just a few days before the transaction with Weber Bros., or after?

A It would be -- again I am guessing -- it would be about a week, probably, before I signed the transfer.

Q And on this occasion the two of you sat down and had a drink together?

A We did.

Q A friendly social visit?

A That's all it was.

1-M-11

P. S. Kaplain - Maynard Ex.

Q No business discussed?

A Oh, we talked about the sale of the farm and things like that.

Q Did you discuss the purchase price at this time with Mr. Hooke?

A I couldn't remember, sir.

Q Did you ever discuss with Mr. Hooke the amount of the sale of the farm?

A Oh, yes, yes, on several occasions.

Q And what was the sale price that you had mentioned to Mr. Hooke?

A I believe I mentioned to him either seventy or eighty thousand dollars -- I'm not sure, sir. That was without any equipment or without any stock or machinery.

Q And is this the figure you also mentioned to Weber Bros.?

A It would be the same figure. It would also be the same figure that I would have mentioned to that Mr. Whitlaw that I met on the street. I had a sort of a figure set in my mind that I thought I should realize.

Q Were your actual negotiations carried on with Mr. Hooke or with Weber Bros.?

A To this day I can't answer that truthfully; I don't know.

Q But in any event, you understood that in dealing with Weber Bros. -- .

A Mr. Hooke was buying.

Q They were buying it for Mr. Hooke, whatever the arrangement was between them, you don't know.

1-M-12

P. S. Kaplan - Maynard Ex.

A I don't know, sir.

Q Was there ever any discussion with you after the deal with Weber Bros., that there might be some question as to whether Mr. Hooke was buying it?

A Not that I can recall, sir -- as a matter of fact, if my memory serves me correctly, after I had signed the transfer, Mr. and Mrs. Hooke came out for either the second or the third time together, and went through the house.

Q Now, you indicated that after the transaction document was completed with Weber Bros., the transfer, but before you gave him the key -- what was that period of time?

A Just a matter of a few weeks, sir, a matter of a few weeks.

Q What was the delay in turning the key over to Weber Bros.?

A I was supposed to give possession on a certain date, but I don't remember what date it was. After I signed the transfer I continued to live there for a short while.

Q And during this period of time you say that -- ?

A Mr. and Mrs. Hooke did come out together for the second or third or fourth time.

Q Now, I'm sorry, I didn't quite hear that statement. Mr. and Mrs. Hooke came out together?

A I will repeat the whole thing -- .

Q No -- just Mr. and Mrs. Hooke came out together -- ?

A For the third or fourth time.

Q I think you said second, third or fourth time.

A That could be.

1-M-13

P. S. Kaplain - Maynard Ex.

Q Had Mrs. Hooke been out there before?

A Yes.

Q When was the first time she was out there?

A Maybe two weeks before I signed the transfer -- but again, I'm only guessing.

Q And how did Mr. and Mrs. Hooke come to go out there on this occasion after the documents were signed with Weber Bros.? Did you invite them out?

A No, I didn't invite them out.

Q Did Mrs. Kaplain not invite them out?

A No.

Q As far as you know?

A At least, not to my knowledge.

Q Now, what I was getting at a moment ago was the discussion you had after the signing of the documents of the transfer, and possession to Weber Bros., you indicated you had some discussion with someone about the property being subdivided; is that correct?

1-P-1

Paul S. Kaplain - Maynard - Ex.

A Oh, before possession was taken, yes.

Q Before possession was --

A Not subdivided, the question of a satellite town as near as I can remember, being made into a satellite town or something like that.

Q In the first place, who was this discussion with?

A It was Mr. Hooke and Mr. Campbell and myself.

Q Mr. Hooke and Mr. Campbell were there together?

A Yes, they were there together.

Q Was this before or after Mr. and Mrs. Hooke went out to have this document signed?

A Mrs. Hooke had been out previously.

Q But she went out you said after the transfer had been signed?

A I said she had been out the second, third or fourth time after I had signed the transfer to Weber Brothers, sir.

Q Mr. Kaplain, I don't want to appear to be unreasonable but I am trying to pinpoint an occasion when Mr. and Mrs. Hooke went out to see you after the transfer had been signed to Weber Brothers, you told us they went out?

A They did, yes.

Q Now, keeping that visit in mind was this the discussion you had, you say you had with Mr. Hooke and Mr. Campbell, about a satellite town, before this visit or after this visit?

A Oh, it was long before that visit and when I say long before, probably two weeks before.

1-P-2

Paul S. Kaplain - Maynard - Ex.

Q Two weeks before Mr. and Mrs. Hooke went out following the signing of the transfer to Weber Brothers?

A Maybe I am not understanding your question sir.

Q Let me try again?

A Okay.

Q You have told us that after this transfer had been signed to Weber Brothers that Mr. and Mrs. Hooke went out?

A That is right.

Q How long after the signing of this transfer did they go out together?

A It could have been on the same day.

Q A matter of a few days?

A Just a matter of a few days.

Q Now, keep that visit in mind?

A Yes.

Q Because my question relates to this, did this discussion you had with Mr. Hooke and Mr. Campbell about a satellite town in the area take place before this particular visit of Mr. and Mrs. Hooke or after?

A No, after when we are talking about the satellite town or satellite town.

Q That is what I am trying to understand?

A I am sorry, sir.

Q How long after?

A It was less than a week because by this time I was on the farm steady, I wasn't going into town at all.

1-P-3

Paul S. Kaplain - Maynard - Ex.

Q Now Mr. Kaplain, yesterday you indicated you were not sure, in the first instance you told us that the discussion had taken place with Mr. Campbell, then you were not sure whether it was Mr. Campbell and Mr. Hooke and now you state the two of them were together?

A The two of them were definitely together, sir.

Q And no question about the statement now?

A Absolutely not.

Q Who carried the discussion with you about the satellite town mainly, Mr. Hooke or Mr. Campbell?

A Mr. Campbell.

Q Mr. Hooke was just present?

A Mr. Hooke was just there you might say.

Q And did the discussion refer specifically to the land which you had just sold?

A I can't remember.

Q Or was it a general discussion about a satellite town in the general area?

A I believe that that was it.

Q A general discussion about a satellite town in the general area?

A I believe that was it, sir.

Q Did Mr. Campbell ever mention to you specifically that your land would be involved in a satellite town?

A No.

Q Did he ever mention to you that your land had been subdivided for a satellite town?

1-P-4

Paul S. Kaplain - Maynard - Ex.

A He told me that my land had been subdivided but whether he said a satellite town or not I don't know.

Q Did he tell you that your land would be involved in a satellite town program?

A Oh no, there was no mention made of satellite town, all he told me was that my former land had been all subdivided into residential building lots.

Q And what did you understand by this in view of the fact that you had just sold the property as a whole?

A That they were going to build individual houses on it, sir.

Q And that discussion took place with Mr. Campbell?

A With Mr. Campbell, yes.

Q Of course, you knew that there was no subdivision plan registered?

A No I didn't and I didn't bother to pursue it.

Q Well, had a subdivision plan been registered you know now, of course, that the title could not have gone through as a quarter section?

A Oh, I know now, yes.

Q Did you ever receive a deposit from anyone else for the purchase of this farm?

A I never received a deposit, sir.

Q Were you ever given any indication that a deposit for the purchase of the farm by someone else would be made to you?

A No.

Q Then, just to clear up one point so that there will be no

1-P-5

Paul S. Kaplain - Maynard - Ex.

Johnstone A. Weber - Clement - Ex.

Q (cont.) misunderstanding, you sold the farm to Weber Brothers for \$42,500.00?

A That is correct, sir.

Q And Weber Brothers collected the insurance on the chicken coop?

A That is right, I assigned that policy over to them.

Q And you don't know what amount Weber Brothers collected on this insurance?

A No, nor was I ever told.

Q Fine, thank you Mr. Kaplain.

THE COMMISSIONER: Mr. Clement?

MR. CLEMENT: No questions.

THE COMMISSIONER: You may step down. Do you require Mr. Kaplain any further?

MR. CLEMENT: Not for myself, sir.

THE COMMISSIONER: Mr. Kaplain, you are excused, it is not necessary for you to return.

A Thank you, sir.

MR. CLEMENT: Mr. Johnstone Weber.

JOHNSTONE AINSLEY WEBER, sworn, examined by Mr. Clement:

Q Mr. Weber, you are an officer of Weber Brothers Agencies Limited?

A Yes.

Q What position?

A Managing director, at the moment president and managing director.

1-P-6

Johnstone A. Weber - Clement - Ex.

Q And Mr. L. A. Weber has been mentioned in testimony here, was he a relation of yours?

A He was my father.

Q When did he die?

A November 12th, 1953.

Q And up to the time of his death had he been an officer and a director of Weber Brothers Agencies Limited?

A Yes he had.

Q A transaction has been described in part here Mr. Weber involving the purchase of land from Mr. Paul Kaplain and the evidence is that on behalf of Weber Brothers Agencies Limited Mr. L. A. Weber was in negotiation with Mr. Kaplain. Do you have any part or firsthand knowledge of that at the time?

A I would not think, I don't recollect having any part in the actual negotiations that took place between Mr. Kaplain and my father. I was perhaps aware, undoubtedly aware of what was going on but in a general way.

Q In any event, a transfer has been put in evidence, Exhibit 125 showing the transfer of the southwest of 27,52,23 west of the 4th from Kaplain to Weber Brothers Agencies Limited dated September 8th, 1951 and there is in evidence Exhibit 45 showing a certificate of title for that land in the name of Weber Brothers Agencies Limited and on that title amongst other memorials is a caveat dated September 25th, 1951 claiming an interest by Mr. Hooke in this land as equitable owner and signed by Mr. H.G. Johnson as his agent. I think

1-P-7

Johnstone A. Weber - Clement - Ex.

Q (cont.) perhaps sir I might have this marked as an Exhibit.

THE COMMISSIONER: Exhibit 126.

CAVEAT DATED SEPTEMBER 25th 1951
IS ENTERED AS EXHIBIT 126.

Q MR. CLEMENT: There is also memorialized on that title a caveat dated October 22nd, 1951 claiming an interest by Mr. Hooke under an agreement for sale in writing dated October 22nd presumably 1951 in this same quarter section of land and this caveat is signed by Mr. Hooke. May I have this also --

THE COMMISSIONER: Exhibit 127.

CAVEAT DATED OCTOBER 22nd 1951
IS ENTERED AS EXHIBIT 127.

Q MR. CLEMENT: Do you have any personal knowledge of the transaction in which Mr. Hooke was involved in this southwest quarter of 27?

A Yes I do.

Q Would you tell Mr. Commissioner what information you have?

A Well, I would like to preface my remarks by the fact that since I was subpoenaed on Friday last, we have been, in my organization, trying to locate any files or other material that might relate to this and so far we have not been too successful because our normal practice is to destroy files at the end of ten years unless they were still in some manner current.

I have however found the ledger cards that pertain or, recorded I should say the transaction whereby Weber Brothers

1-P-8

Johnstone A. Weber - Clement - Ex.

A (cont.) purchased the Kaplain farm and the subsequent sale of the same to Mr. Hooke. I have photostatic copies of these if you wish to have them.

Q Mr. Commissioner, would it be satisfactory to have the photostatic copy made an Exhibit so that we won't be taking Mr. Weber's original documents away from him?

THE COMMISSIONER: Yes.

MR. CLEMENT: Any objection from counsel?

MR. COMMISSIONER: Any objection?

MR. GILL: No sir.

MR. WRIGHT: No sir.

THE COMMISSIONER: Photostatic copy of ledger entry will be Exhibit 128.

PHOTOSTATIC COPY COMPRISING SIX
PAGES ENTERED AS EXHIBIT 128.

Q MR. CLEMENT: Six pages Mr. Weber?

A I guess in the photostat they would be because some of these are on two sides of a ledger card.

Q Oh yes. Then dealing from the original which is before you would you give Mr. Commissioner such evidence as you are able on the transaction?

A Well, if I may be permitted I would like to follow these from the ledger cards in the sequence that they occur because I believe it would be more easily understood and certainly more easy for me.

The first transaction was the purchase of the southwest quarter of 27, 52, 23, 4 which we knew as the Kaplain farm in

1-P-9

Johnstone A. Weber - Clement - Ex.

A (cont.) our organization.

Q Well, continue to refer to it that way for the benefit of counsel?

A All right, and our ledger card which was set up in our assets ledger, in short, normally if we were acting as an agent, these things by law have to be run through a trust account.

Q I am familiar with that Mr. Weber.

A I am merely emphasizing this because it was set up as an asset in our books and indicates that we paid into Messrs. Duncan Johnson Miskew the sum of \$42,500.00 as being the purchase price.

Q There was not \$2,500.00 knocked off?

A There is no record of that in here whatsoever in our records.

Q What is the date of those entries?

A The date the cheque was issued to Duncan Johnson Miskew according to this ledger card was September 8th, 1951.

Q Yes, do you have any knowledge of the circumstances leading up that issue of cheque?

A Well this is the part that as far as my memory serves me that my father handled mostly and I do not recollect too much of the background other than the context of all this deal as far as we Weber Brother Agencies Limited were concerned is not in context of acting as an agent in a real estate transaction but rather because Shep's Auto Sales or Mr. Kaplan operating as Shep's Auto Sales was substantially indebted at

1-P-10

Johnstone A. Weber - Clement - Ex.

A (cont.) the time to both Weber Brothers Agencies Limited and its sister company, Edmonton Finance Company or, its related company I should say.

Q Edmonton Finance Company Limited dealt in car paper, did it?

A This is correct and Weber Brothers also did to an extent at that time.

Q Would you proceed, do you have a recollection of the amount in total in which Mr. Kaplain and Shep's Auto Sales was indebted to the two companies?

A Oh, I have been unable to find anything in the way of records, so far, in our search that indicates the exact amount owing to Weber Brothers Agencies Limited but I would -- it is a guess and say somewhere in fifteen or twenty thousand dollar range.

Q Yes?

A The indebtedness I believe to Edmonton Finance Company Limited was somewhat similar and in due course a judgment was obtained by Edmonton Finance.

Q For a sum in that range?

A Around about the \$20,000.00 range, yes.

Q About when so far as your information goes was that judgment recovered?

A It hasn't been recovered.

Q Oh, it is still outstanding?

A Right.

Q It will be difficult to recover on it now Mr. Weber?

1-P-11

Johnstone A. Weber - Clement - Ex.

A I agree.

Q And as far as your records show did the money which was used to purchase the Kaplan quarter, the forty-two thousand five hundred come from the resources of Weber Brothers Agencies or was it provided from any other source?

A Very definitely came from the resources of Weber Brothers Agencies and our records indicate as a matter of fact it came certainly in part from the Toronto Dominion Bank our bank and the title to the farm was actually physically lodged with the Toronto Dominion --

Q Under an hypothecation --

A -- Bank.

Q -- to secure the loan?

A That is right, to secure the loan.

Q Very well, will you proceed from there?

2-B-1

J. A. Weber - Clement Ex.

A Well, as I said, the ledger card having to deal with the purchase of the Kaplain farm shows that the amount paid into Duncan, Johnson, Miskew on September 8th, or the cheque was issued on that date, was forty-two thousand five hundred. There are other entries on it but most of these appear to be adjusting entries, and so forth, and that I don't think are of any particular consequence.

Q You mean adjustments that are ordinarily attendant upon the purchase of property in the way of taxes, insurance, and the like?

A That's right. I would be happy to answer any specific questions and to try and explain them.

Then the next ledger card that I am referring to and which has been, a photostated copy has been turned in, was a card that records the sale by Weber Brothers Agencies Limited to the Honourable Alfred J. Hooke. The first entry appearing on the card is dated November 3rd 1951 and shows an agreement for sale was entered into dated October 22nd 1951 for \$50,000.00, being the purchase price.

Q November the, what date?

A November the 3rd was the date the entry appears.

Q 1951.

THE COMMISSIONER: Mr. Short, can I see the two caveats, please?

Q MR. CLEMENT: Is there anything in your records or in your memory as to the circumstances leading up to that agreement for sale?

2-B-2

J. A. Weber - Clement Ex.

A Yes, it is my recollection that my father had advised or had some knowledge that Mr. Hooke might be interested in purchasing a farm, and I believe had told him about the Kaplain farm. I don't know and I have no way of knowing exactly what these conversations were, but certainly there must have been some interest which eventually led to the purchase.

Q Is there anything that you can assist Mr. Commissioner on as to whether this interesting of Mr. Hooke occurred before or after September 8th 1951?

A I would think it probably was before.

Q Before, very well.

A I think mention was made earlier of a caveat filed by Mr. Hooke sometime in September. I have no record of it but I have heard it, you have mentioned it.

Q The first caveat is dated September 25th, and is claiming an interest as an equitable owner?

A Well, to the best of my recollection I believe that at the time or shortly after this caveat was filed I recall that we, Weber Brothers Agencies Limited, disputed the fact that Mr. Hooke had any interest of any kind in the property at the date of the signing or the filing of that caveat.

Q Yes?

A This is strictly by memory, I have no documents or anything to show it.

Q Do you mean by that that whatever dealings might have been had with Mr. Hooke, they were verbal and not in the form of

2-B-3

J. A. Weber - Clement Ex.

Q (cont.) a commitment?

A That's right.

Q Yes, in other words he was showing interest but your position was that no agreement had been reached in respect to the Kaplan quarter?

A Correct.

Q Yes, would you carry on?

A The ledger card showing, recording the details of the transaction, as I say, between Weber Brothers and Mr. Hooke also indicates that of the \$50,000.00 purchase price Weber Brothers Agencies took, either in trade or maybe bought and allowed the net equity that Mr. Hooke had in a house. It was up near the Camsell Hospital, I believe its exact address is 12806 - 113th Avenue; and there was credited into this account the sum of \$15,053.33, being the equity that Mr. Hooke had in the house.

Q Now, do you happen to have a copy of the agreement for sale still in your records?

A I am sorry, I have not been able to locate it. The -

Q I see, fine. Just a moment.

A I am sorry.

Q Mr. Maynard has been good enough to produce a copy: I wonder if you would examine it and ascertain whether it is executed on behalf of the company, Weber Brothers Agencies?

A It certainly bears my signature.

Q I thought so.

A This would be the document, the figures at a quick glance

2-B-4

J. A. Weber - Clement Ex.

A (cont.) jibe with our ledger card precisely.

Q An agreement for sale, sir, dated October 22nd, 1951 between Weber Brothers Agencies Limited and Alfred J. Hooke, Minister of the Crown, by which the Kaplain quarter is sold for \$50,000.00 on terms.

THE COMMISSIONER: Exhibit 129.

AN AGREEMENT FOR SALE, OCTOBER
22nd, 1951, WEBER BROTHERS TO
HOOKE, AS PRODUCED, MARKED
EXHIBIT 129.

Q MR. CLEMENT: Including the term mentioned by Mr. Weber, the transfer of certain lots in Edmonton at a price of, at a credit of \$15,053.00.

A Our ledger card also evidences the fact that there was \$2,500.00 cash paid in addition to the credit on the property, and it sets forth a schedule of payments to be made under the agreement for sale, with the last payment falling due on October 22nd 1958. The account in fact was paid out in September of 1955.

Q And then, Mr. Weber, Mr. Hooke became the equitable owner of the Kaplain quarter on October 22nd, 1951; I am now showing you a plan of subdivision.

THE COMMISSIONER: May I see the agreement for sale, please?

Q MR. CLEMENT: Registered as 632.KS; do you identify that as being signed by Weber Brothers Agencies Limited as owner?

A I do.

Q A plan, sir, dated July 22nd, 1955, of a portion of the

2-B-5

J. A. Weber - Clement Ex.

Q (cont.) South West of 27, the Kaplan quarter.

A Might I amend my statement, I identify this as a plan signed by Weber Brothers Agencies as registered owner.

Q Well, I didn't mean to infer otherwise.

THE COMMISSIONER: Exhibit number 130.

PLAN OF SUBDIVISION 632.KS,
JULY 22nd 1955, AS PRODUCED
MARKED EXHIBIT 130.

Q MR. CLEMENT: A limited, a very limited portion of the quarter, sir.

I show you a subdivision plan registered as number 732.KS, in respect again of a limited portion of the Kaplan quarter, and dated July 4th and July 23rd, 1955; is, was that similarly executed by Weber Brothers Agencies Limited as the registered owner?

A Yes sir.

THE COMMISSIONER: Exhibit 131.

PLAN OF SUBDIVISION, 732.KS,
JULY 4th AND JULY 23rd, 1955,
AS PRODUCED MARKED EXHIBIT 131.

Q MR. CLEMENT: Could you give Mr. Commissioner the circumstances leading up to these subdivision plans so far as you know?

A Well, actually I know very little about them. I would suspect that what happened is that because the land was purchased under an agreement for sale and the title was still in the name of Weber Brothers, when it came to the matter of obtaining and registering a subdivision, the registered owner, or at least whoever the owner is in whose

2-B-6

J. A. Weber - Clement Ex.

A (cont.) name the title is, the DCT, has to agree to the subdivision, and I believe that our, the company's signature just indicates that agreement.

Q But as far as, what I am getting at, Mr. Weber, is this, as far as Weber Brothers Agencies Limited, did it interest itself in the subdivision?

A Not whatsoever.

Q Or become active in that?

A We had nothing whatsoever to do with it.

Q It was merely a formality of signing the plans as far as you are concerned?

A That is correct.

Q And between 1951, between October '51 and the date of these two plans did Weber Brothers Agencies Limited interest itself in the Kaplan quarter at all or Mr. Hooke in relation to the Kaplan quarter other than to collect some money under the agreement for sale?

A No sir.

Q None at all?

A No.

Q And then I show you a form of transfer dated September 2nd, 1955, from Weber Brothers Agency Limited to Mr. Hooke, respecting the Kaplan quarter, and including the lots resulting from the subdivisions of the two plans that have been registered; was that executed and delivered by Weber Brothers Agencies Limited?

A Yes.

2-B-7

J. A. Weber - Clement Ex.
- Gill Ex.

Q And that completed -

A The transaction.

Q - the transaction, it was paid out and Weber Brothers had no further interest?

A That is correct.

Q This document, sir, the transfer that Mr. Weber has referred to, is on record as Exhibit 76. Would you answer my friends, please?

A Pardon?

Q Would you answer my friends?

A Yes.

MR. GILL EXAMINES THE WITNESS:

Q In your files, Mr. Weber, did you find anything other than your ledger cards?

A That's all I have been able to locate to date.

Q No correspondence? You are shaking your head, do you mean "no"?

A No, not as yet, we are still looking to see if there is any still around.

Q How about memos, did you find any memos?

A No, I did not.

Q Well, who did the deal between Mr. Hooke and your company, you or your father?

A Well, I think it was probably handled in part by both.

Q Well then, what part did you have to do with it?

A Well, the part that I recall was the finalizing, the finalization of the documents, of the transaction whereby

2-B-8

J. A. Weber - Gill Ex.

A (cont.) Mr. Hooke purchased the farm. There were some, I recall some, a number of problems. One was that Mr. Hooke wanted to trade in this house that I have previously mentioned at 12806 - 113th Avenue, his equity in that house on the purchase of the farm, and I recall that there was certainly considerable negotiations as to what the purchase price of the house or the value of the house, the price at which we would be taking it in, was to be. It finally ended up at \$20,500.00 according to these records.

Q That is not quite so, is it, Mr. Weber; you made a deal with Mr. Hooke that if you sold it for more than twenty thousand five hundred you reduced the sale price of the \$50,000.00?

A That was discussed at one time but I do not think, I am quite sure that that was not the final deal, it certainly is not in any of the agreements for sale.

Q I see, you are quite sure of that?

A I am reasonably sure.

Q May I see the Exhibit, please, Mr. Clerk? Mr. Clerk, would you have Mr. Weber read the first paragraph on page 3 of the agreement for sale?

A "It is understood that it is the intention of the vendor herein to try to sell the property transferred to it by the purchaser and being 12806 - 113th Avenue, Edmonton, Alberta: it is further understood and agreed between the parties hereto that should the vendor sell the said property, being 12806 - 113th Avenue, Edmonton, Alberta, for more than \$20,500.00, then any amount in excess of the said sum of

2-B-9

J. A. Weber - Gill Ex.

A (cont.) \$20,500.00 received by the vendor from the sale of the said property less its commission shall be credited to the purchaser on account of the purchase of the land described in this agreement for sale and the said purchase price of \$50,000.00 and payments thereon shall be reduced by such amount."

Q You recognize the signature of someone underneath the name "Weber Brothers" on that?

A Yes, that is my own signature.

Q So that you did sign that document?

A I am sorry, I forgot that that was in it.

Q So that it shows the fallibility of memory, doesn't it, Mr. Weber?

A It does.

Q Among other things. Why did Weber Brothers buy this land at all when Kaplain owed you and your sister company money?

A I presume to -

Q No, I am asking you?

A I don't know precisely.

Q All right. Now, let's have your presumption.

A Well, as I said earlier, Mr. Kaplain was indebted in his operation, Shep's Auto Sales, to both Weber Brothers Agencies Limited and Edmonton Finance.

Q How much to Weber Brothers Agencies Limited?

A I believe it was somewhere in the area of fifteen to twenty thousand, but I am not sure.

Q And how much to its sister company, the finance company?

2-B-10

J. A. Weber - Gill Ex.

A Probably about the same amount or maybe more, sir.

Q Well, somewhere around \$40,000.00 in total?

A That could be, yes.

Q Well, can you explain to the Commissioner why, when Mr. Kaplain owes that amount of money, which is very nearly the amount of the sale price in the transfer of land, you still sent over to Duncan and company \$42,500.00?

A Oh, yes, Mr. Kaplain had other liabilities.

Q Did you know this?

A Yes, we were aware or would be aware in the normal course of the financing business of some of his commitments.

Q Well then, in effect you were financing Mr. Kaplain, were you?

A Well, we were trying to assist him and assist ourselves in the working out of this.

Q And you say that Mr. Hooke came into the picture after September 8th 1951, as far as you know?

A I did not say this and I don't know.

Q Well, do you know?

A No, I don't.

Q Well, when did -

A I don't know whether he came in after or before.

Q Can you give the Commissioner any explanation why Mr. Hooke should sign a caveat of the 25th day of September 1951, some, almost a month, some three weeks before the agreement for sale is entered into, the 22nd of October 1951 is the agreement for sale and Mr. Hooke signs a caveat or at least

2-B-11

J. A. Weber - Gill Ex.

Q (cont.) his agent does for him on the 25th of September 1951; why so much in advance of the actual sale?

A Well, I don't know by reason of the fact that, as has been previously stated, my father was the one that was handling whatever conversations went on between Mr. Kaplain, himself and Mr. Hooke; but I do recall of my own knowledge that when the caveat, I recollect that when the, when we found that the caveat had been filed, the one on September 25th, that we disputed that there was any right to file a caveat. We protested against the filing of it, I should have said.

Q But it still stayed on?

A That's right.

Q You have heard Mr. Kaplain testify that there was a commission of \$2,500.00 charged; do your ledger cards show any record of your receiving this commission?

A They do not.

Q Do you doubt Mr. Kaplain's statement in this court that he paid that amount of commission?

A I don't think he paid it, according to our records we have no record of it being paid.

Q I asked you if you doubt Mr. Kaplain's statement that he -

A I have to on the basis of our records.

Q But your records could be either missing or non-existent?

A This is possible but not likely.

Q And your memory already once this morning has proven faulty?

A That is correct.

Q And it could prove faulty about the commission?

2-B-12

J. A. Weber - Gill Ex.

A It could.

Q And about a few other things?

A It very well could.

Q I see. What about this fire in the chicken coop, do you remember anything about that?

A I do not.

Q Do you dispute Mr. Kaplain's statement that Weber Brothers received the proceeds of the fire insurance on that building?

A I have no, our records do not show it but I do not dispute it because I do not know anything about it.

Q Do you remember anything about it?

A No, I do not.

Q Was there a fire in the chicken coop out there?

A There must have been according to what I heard this morning, I had certainly forgotten it if I ever did know.

Q Now, this land is in what area, would you say?

A Well, it is in the present area of Sherwood Park.

Q It became part of Sherwood Park development?

A That is correct.

Q And the lands were subdivided into lots?

A H'mm.

Q Is that correct?

A Yes.

Q And there was in fact a shopping centre put on it?

A I believe that is correct. There is a shopping centre there.

2-B-13

J. A. Weber - Gill Ex.

Q And you are as an officer of Weber Brothers, you are familiar with and have done a fair amount of development in Edmonton?

A That is correct, some.

Q You didn't have any part in the Sherwood Park development as such other than this initial business with Mr. Hooke?

A No, we did not.

Q Do you know Mr. Hooke?

A Yes, I do.

Q Have you or any of the other directors of Weber Brothers Agencies Limited been associated with him in business?

A I haven't, and as far as, to the best of my knowledge none of our directors have.

Q Have you been associated with Mr. Hinman in business at all?

A I have not.

Q Or Mr. Arthur Arnold?

A I have not.

Q Now, did Weber Brothers Agencies Limited obtain a judgment against Mr. Kaplan?

A No, I believe it was Edmonton Finance Company Limited obtained the judgment.

Q Against Mr. Kaplan personally?

A Yes.

Q Or against Shep's Auto Sales?

A Against Mr. Kaplan personally.

Q I see. Have you the subdivision plan, My Lord? Oh, here they are.

2-B-14

J. A. Weber - Gill Ex.

Q (cont.) Do you know a Benjamin C. Finch?

A Yes, I do.

Q Who is he?

A He was at one time an employee, the secretary-treasurer of Weber Brothers Agencies; he is still an employee of the company out in Vancouver or Whiterock, British Columbia.

Q And what was he on the 2nd of September 1955?

A He would be an officer of the company, I don't remember if he was secretary-treasurer or just a director.

Q And the document you put in as the transfer from Weber Brothers Agencies of the 2nd of September 1955, he signed as agent of the transferor, is that correct?

A Yes, that would be correct.

Q And you made a profit of how much on the sale to Mr. Hooke?

A Well, according to the ledger card I have in front of me, the house, 12806 - 113th Avenue, was sold for \$19,890.21, that was the net result of it.

Q Did Weber Brothers make a commission on that sale?

A No, they did not.

Q To whom was that property sold?

A It was sold to St. Vincent Convent.

Q For what purposes?

A Well, to use as a convent, I believe.

Q And to answer my previous question, you bought the land for \$42,500.00?

A Correct.

2-B-15

J. A. Weber - Gill Ex.

Q And you sold it to Mr. Hooke for \$50,000.00?

A Correct.

Q And that difference is what?

A Plus whatever adjustments, the final figure in our ledger card shows \$5,925.29.

Q And what does that figure represent?

A That would represent the surplus or profit on the sale of the Kaplan farm.

Q Mr. Finch was an experienced realtor, was he?

A Well, he had been with us a long time, I don't think he had too much to do with the real estate end of our business at that time. He subsequently did, but he was never, he was not a real estate salesman in the sense of the word.

Q This Exhibit 132, the transfer, Mr. Finch in his affidavit as agent of the transferor, which is your company, swears that the land was worth \$50.00 an acre; would he be wrong?

A No, I think he would be correct.

2-M-1

J. A. Weber - Gill Ex.
- Bowen Ex.

Q Who paid the expenses of the subdivision, the two plans that you identified today?

A I don't know.

Q Did Weber Bros. Agencies pay?

A They did not.

Q Why not?

A Because they had nothing to do with the subdivision.

Q Isn't that precisely what Weber Bros. ^{were}/throughout this: they had nothing to do with it, they were merely a channel for Mr. Hooke?

A I don't think that is correct.

Q Thank you.

THE COMMISSIONER: Mr. Bowen.

MR. BOWEN EXAMINES WITNESS:

Q Mr. Weber, in 1951, what was your position in the firm of Weber Bros. Agencies Ltd.?

A I believe I was designated as managing-director and my father was -- had the title of president.

Q And what functions did you perform at that time, generally?

A Well, I was primarily concerned at that time, to the best of my memory, with residential house sales, in our department that fulfilled that function, together with handling all the collections of accounts owing to Weber Bros. Agencies through their finance operations and through mortgaging and whatnot, their normal loan business.

Q Had you at that time entered into the field of land development personally, or on behalf of Weber Bros.?

2-M-2

J. A. Weber - Bowen Ex.

A No, we had not.

Q Were Weber Bros. Agencies at that time engaged at all in land development and subdivision?

A None whatsoever.

Q Do you know whether or not Mr. Horace Johnson, now Mr. Justice Johnson, was acting for Weber Bros. in any way in 1951?

A To the best of my recollection, no, I believe he was acting for Mr. Kaplan in this -- in fact I know he was.

Q Do you know whether Weber Bros. had engaged a solicitor to act in their behalf on this transaction?

A I am frankly a little confused as to whether Weber Bros. did or not, but the ledger cards indicate that the then firm of Simpson and Silverman were involved in this, but I don't know whether they were acting for Weber Bros., but they were certainly involved in the finalizing of the transaction between Weber Bros. and -- .

Q Is that Mr. William Simpson, a lawyer in town here?

A That is correct -- and Mr. Norman Silverman.

Q Was that firm at that time acting in any way for Weber Bros.?

A I don't think so.

Q Do you have any further knowledge as to whom they were acting for? Would it be Mr. Hooke?

A It would probably be Mr. Hooke.

Q Now, I think Mr. Finch is still alive, is he not?

A That is correct.

2-M-3

J. A. Weber - Bowen Ex.

Q And I understood you to say he is in White Rock, but still with the company?

A Correct.

Q At the time that the transaction was completed with Kaplain, was he the accountant in the office who looked after the books and so forth?

A No, his duties were somewhat varied at that time, as I recall them. He was assisting me, I know, in the collection of accounts. He was responsible for some of the secretarial duties; he handled a certain amount of the accounting end of real estate transactions -- that is, he had nothing to do with the actual sale, but -- .

Q Let me ask you this, Mr. Weber: I think Mr. Finch had been with your firm for a long time.

A That is correct.

Q And was a close friend of your father's?

A Right.

Q To your knowledge did he have anything to do with this whole transaction that we are discussing?

A No.

Q Nothing whatsoever?

A No.

Q You mentioned a dispute arising as to Mr. Hooke's right to file his first caveat in September.

A Yes sir.

Q Now, do you know of this from personal knowledge? Did you enter into this dispute and take part in it?

2-M-4

J. A. Weber - Bowen Ex.

A I do not think I did. I think I recollect this from hearsay, undoubtedly from talking to my father.

Q Well, can you give us any more details as to what this dispute encompassed?

A Well, I believe that it arose over the filing of this caveat on September 25th, where we protested.

Q Was there any indication at that time that you were not selling to Mr. Hooke?

A Oh, certainly no deal had been concluded and I think this was the reason for our protest. There had been conversations undoubtedly between my father and Mr. Hooke, but certainly to the best of my knowledge there was nothing on paper at that time.

Q Do you know whether this dispute arose in any way concerning the matter of price for this land?

A That no doubt may have entered into it. I believe, though, that part of the -- and perhaps the major part of the disagreement had to do with the -- whether this house at 12806-113th Avenue would in fact be taken in trade and, if so, at what price.

Q So the transaction was undoubtedly being negotiated still at, say, September 25th, 1951?

A That is correct.

Q And it was negotiated then until sometime prior to the date of the agreement in October?

A Yes.

Q Do you know when Mr. Hooke took possession of the house on

2-M-5

J. A. Weber - Bowen Ex.
- Crawford Ex.

Q (Cont.) this quarter section, or moved into it?

A I can't say for sure when it would be; I would think that it wouldn't be until after October 22nd, '51, when the agreement was executed, but I could be wrong.

Q Do you know, Mr. Weber?

A I do not know, no.

Q Now, at that time did any employees of Weber Bros. -- I'm sorry -- I'll correct that -- during the time that the subdivision plans which have been entered this morning were being filed, did any employees of Weber Bros. make arrangements with the proper authorities to see to the filing of these or the preparation of these plans in any way?

A Not to my knowledge.

Q Thank you.

MR. CRAWFORD EXAMINES WITNESS:

Q Mr. Weber, I would like to clarify before asking you any questions the answer that you gave to Mr. Gill's last question when he suggested to you that Weber Bros. was never anything other than a means for Mr. Hooke to acquire the property, and I didn't hear your answer correctly. Could I have that, please?

A I think my answer was that that was not the case.

Q That that was not the case. Why did Weber Bros. want to buy the Kaplain farm?

A I do not think Weber Bros. wanted to buy the Kaplain farm at all, basically, other than to put Mr. Kaplain in

2-M-6

J. A. Weber - Crawford Ex.

A (Cont.) a position where he would get some funds out of this to apply on his other indebtedness and enable him to sort of keep going.

Q So this was a means of continuing an interim financing arrangement with him?

A That is correct.

Q The Edmonton Finance Company's dealings, were those done on a -- what is commonly called commercial paper or contingent documents, agreements for sale on cars and -- ?

A Yes, lien contracts, conditional sales contracts and lien notes, and also wholesale financing on automobiles purchased by him as a dealer, for re-sale.

Q When Weber's bought the Kaplain farm it would have known that a re-sale to Mr. Hooke was something that could probably be consummated quite rapidly?

A Oh, I would not know this for sure, but I would rather think that this -- my father might have felt this. He was the one that handled, as I say, the negotiations.

Q Did Mr. Hooke join with Weber's in backing the note at the Toronto-Dominion Bank -- or, as it then was -- one or the other --- the Toronto Bank or the Dominion Bank --- when you borrowed the forty-two thousand five hundred --- .

A May I have the -- I didn't quite get your question. Could I have it again, please.

Q You mentioned at the beginning of your evidence that the purchase of the Kaplain farm was done with monies obtained from the Toronto-Dominion Bank.

2-M-7

J. A. Weber - Crawford Ex.

A Correct.

Q Did Mr. Hooke take any part in backing that note?

A Absolutely none.

Q Did Mr. Hooke keep his payments up to date on the agreement as he went along, Mr. Weber?

A Yes, he did. It was paid out, as I believe I mentioned before, prior to the final due date.

Q Was the sale to Mr. Hooke the best deal that Weber's could get at the time?

A Yes.

Q \$50,000.00 was a realistic price for what was there, in your view?

A At that time.

Q I wonder if I could have those back, please, Mr. Gill? Did Weber Bros. attempt to sell the property to anyone besides Mr. Hooke?

A I recall my father mentioned to me at one time when negotiations were still in progress with Mr. Hooke, that he had some other interested parties.

Q That Mr. Hooke had?

A No, he -- my father -- had.

Q That your father had some other interested prospects?

A Parties.

Q Parties, yes; and I gather that your records don't show that any offer was ever received, because you have lost -- or at least, destroyed the file?

A That is correct.

2-M-8

J. A. Weber - Crawford Ex.

Q Did Mr. Kaplan retire any part of the debt owing by the Edmonton Finance Company -- or owing by him to the Edmonton Finance Company or to Weber Bros. with the \$42,500.00 he got?

A Well, this I'm not really prepared to say. I would think that he did pay some money on it, but I have nothing that I have been able to unearth at this moment in our search for records that I could definitely fasten this down.

Q What sort of indebtedness was it that Mr. Kaplan owed to Weber Bros.? It wouldn't be in the car financing business?

A Yes, they were at that time, as well as Edmonton Finance Company.

Q So both types of debt were the same?

A Right.

Q Would not the ledger sheets be still available from that period for Edmonton Finance Company?

A Well, this is what we are looking for.

Q And if you find those I guess you are going to advise Mr. Clement, are you?

A We would be very happy to.

Q In respect to the real estate commission that you are asked about, Mr. Weber, you indicated that no commission was charged and that forty-two five in full was paid over to Mr. Johnson's office for Mr. Kaplan.

A That is correct.

Q Are you able to say for sure that the commission didn't come back from Mr. Johnson's office or from Mr. Kaplan?

2-M-9

J. A. Weber - Crawford Ex.

A To the very best of my knowledge it did not come back, and there is nothing in our records to indicate that it came back.

Q Were you able to find records that would show that?

A No, other than normal records on our ledger card, and had there been a commission returned it would seem to me that in following normal accounting procedures that we follow, it would appear in this ledger card.

Q Wouldn't the normal accounting procedure be to have it appear on a commission account card?

A It would be transferred into commission, yes.

Q Transferred to commission if it was transferred from that card which you have referred to, which is an asset card?

A Normally in a real estate transaction if you open up a trust account all monies which you receive go into it, and eventually if you received all the monies and there is a commission it still is in that account and is transferred out into revenue when the deal is completed, and everything else that had to do -- monies received and paid out in connection with the Kaplain farm -- appear in this ledger card, and I'm only saying that it seemed to me -- why would there be any reason to separate them?

Q Well, there was no trust money in this transaction, was there?

A No, but this card is an asset card -- was to show our total picture, so if there would be commission I would certainly think that we would want it to show in there to

2-M-10

J. A. Weber - Crawford Ex.

A (Cont.) show our picture.

Q Wouldn't that come in -- if it came from either Mr. Johnson's office or Mr. Kaplan, wouldn't it simply go into revenue then?

A I don't think so in this case.

Q Do you know?

A I don't know.

Q Is it possible then a commission of \$2,500.00 was paid and is not on the documents you have been able to find?

A It is possible but I do not think probable.

Q You mentioned that there was a dispute over the filing of Mr. Hooke's caveat, and I am just wondering if any dispute in respect to Mr. Hooke claiming to be the real buyer was brought to you before he filed the caveat. Did he come to the office or have a lawyer write you or do anything like that?

A Not to me personally, nor to my knowledge.

Q I understood you to say -- well, let me just ask you one more on that -- then the caveat was the first knowledge that your company had so far as you now know, that Mr. Hooke claimed to be interested in the property?

A No, I wouldn't say that it was the first knowledge that claimed that -- .

MR. GILL: I am just looking at the original to compare it. Go ahead.

A Pardon me, I don't know where I was at. What was the question?

2-M-11

J. A. Weber - Crawford Ex.

Q MR. CRAWFORD: I have forgotten, too. I wonder if the Reporter could read it back.

THE REPORTER: (Reading)

"Q I understood you to say -- well, let me just ask you one more on that -- then the caveat was the first knowledge that your company had so far as you now know, that Mr. Hooke claimed to be interested in the property?"

A Well, my answer was that we were aware he was interested prior to filing the caveat -- I think what our feeling was that he had no justification for filing a caveat at that time.

Q MR. CRAWFORD: You knew that he was a prospect?

A Yes, we were -- I'm quite sure prior to the filing of the caveat I would be positive that my father was discussing, negotiating.

Q Did I understand you to say earlier, too, Mr. Weber, that there is no current dealing on the part of your company with Mr. Hooke?

A No, there is not.

Q Did Mr. Hooke ever threaten Weber Bros. with proceedings about the caveat -- that is, that he would sue Weber's if there wasn't an agreement for sale entered into?

A Not to my knowledge.

Q Did he use his position as a Cabinet Minister to coerce you into making an agreement for sale?

A No.

2-M-12

J. A. Weber - Crawford Ex.
- Wright Ex.

Q Was there -- would you tell me what suggestion if any there was, of the fact that he was a Cabinet Minister in dealing with you? Did this enter into it?

A I don't think it really entered into it at all -- certainly not as far as I was concerned in anything I had to do with it.

Q I think those are all of my questions.

THE COMMISSIONER: Mr. Wright?

MR. WRIGHT EXAMINES WITNESS:

Q Looking at the first page of the ledger sheet which is in evidence, on the purchase by Mr. Hooke of the quarter-section, there is an entry of \$2,500.00 dated the 29th of December, and from a perusal of the agreement for sale and, in fact, this ledger card, it would appear that that \$2,500.00 entry is the cash down payment, although it's a little late.

A That would appear to be the case, yes.

Q Yes; you have no personal knowledge, I don't suppose?

A No, not that I can remember.

Q It says next to that entry in pencil -- "LAW". What does that mean?

A Probably my father's initials: "L. A. W.".

Q I see, so the cash then would have been paid in by Mr. Weber?

A Well, I don't know what that would mean, whether it meant that he turned the money in to the cashier, or what the --.

Q How it was?

2-M-13

J. A. Weber - Wright Ex.

A No, that's right.

Q It would appear that he actually brought that \$2,500.00 into the office?

A I would think so.

Q Do you have a list -- you must have a list of the files you destroyed?

A No, we don't have a list.

Q You mean, you destroy your files without listing them?

A The procedure is that they are filed down wherever our storage is, all the files, and every so often we go through them and just, when they reach a certain age, and throw them out.

Q And you don't keep a list of them at all?

A No.

Q Now, at the end of the ledger sheets that have been put in evidence relating to the quarter-section we see some transactions with Trowbridge Associates. Was it the case that they paid off the agreement for sale when they bought the land?

A This could be. I have no knowledge. Obviously the \$12,000.00 indicated on this ledger card was a Trowbridge Associates' cheque for payment.

Q And the balance came from Bryan Foote & Company?

A Correct.

Q And whose lawyers were they?

A Well, it runs in my mind that they were acting for the developers of the property.

2-M-14

J. A. Weber - Wright Ex.
- Clement Ex.

Q Yes, thank you.

THE COMMISSIONER: Mr. Maynard?

MR. CLEMENT: Mr. Commissioner, if I might
intervene for just a moment -- .

THE COMMISSIONER: Yes.

MR. CLEMENT: There are two documents which
I think I would like to put in evidence to complete the
continuity of this transaction. Mr. Weber, on the title
while it was in the name of the company there were two
additional caveats filed, one by John H. Campbell on
April 9th, 1953, and one by Cam-Del Co. Ltd., on May 17th,
1955; and do you have any knowledge of claims being
asserted against the title to this property by either of
those?

A No, I do not.

MR. CLEMENT: May I file them now at this time,
sir? Caveat April 9th, 1953, No. 5329JH.

THE COMMISSIONER: Exhibit 132.

CAVEAT NO. 5329JH, IS MARKED
EXHIBIT 132.

MR. CLEMENT: Claiming an interest by Mr.
Campbell under an option agreement given by Alfred J.
Hooke. Caveat No. 3366JX, dated May 17th, 1955.

THE COMMISSIONER: Exhibit 133.

CAVEAT NO. 3366JX, IS PRODUCED
AND MARKED EXHIBIT 133.

MR. CLEMENT: Claiming an interest by Cam-Del
Co. Ltd., under an option to purchase dated April 20th, 1955

2-M-15

J. A. Weber - Clement Ex.

MR. CLEMENT:(Cont.) by Mr. Hooke. You have no knowledge of the
circumstances of these claims?

A No, I have not.

2-P-1

Johnstone A. Weber - Maynard - Ex.

MR. MAYNARD EXAMINES THE WITNESS:

Q Mr. Weber you indicated that in 1951 you were the general manager of the company and your father was president?

A Managing director, yes.

Q You were managing director. Now, as managing director would you have the general run of the office?

A Reasonably so, yes.

Q And would your father be taking an active part in the business as well?

A Very much so at that time.

Q Would he discuss with you any transactions he was interested in personally?

A Not always.

Q On some occasions he would?

A That is right.

Q Did he ever discuss with you the Kaplain farm deal?

A Well only to the extent that I would recall him saying -- I recall us discussing the indebtedness of Shep's Auto Sales, Shep Kaplain and how this might work out in the long run or how it could be handled and those discussions I recall him mentioning the possibility of the sale of -- of Mr. Kaplain selling his farm but this might relieve other pressures that were on Mr. Kaplain at that time as well as what we were asking for.

Q Did he discuss with you specifically the question of purchasing the Kaplain farm?

2-P-2

Johnstone A. Weber - Maynard - Ex.

A No, not until I was aware of it at the time the deal went through when he actually purchased it.

Q Well, before the deal went through were you aware that there were discussions being carried on?

A Yes.

Q And were you also aware at that time that your father had been discussing the sale of the Kaplain farm to Mr. Hooke?

A I don't think I was at that particular time, not at the time the transaction went through and, by the transaction I mean the purchase of the farm.

Q September 8th?

A Right.

Q I will put it differently; were you aware of the fact of any discussions, through any discussions of your father that your father might be interested in acquiring the Kaplain farm for Mr. Hooke?

A No, not for Mr. Hooke.

Q Now, as office manager or general manager, managing director, you would have access to all the files in the office?

A That is correct.

Q Of course, you would not look them all over?

A No sir.

Q Do you remember ever having looked at the file relating to the Kaplain farm?

A I am quite sure I must have.

Q And of course, you cannot find the file now?

A That is right.

2-P-3

Johnstone A. Weber - Maynard - Ex.

Q When you say you are quite sure you must have, you do not know whether there was any lengthy correspondence on the file?

A No I do not.

Q Mr. Weber, I would like to refresh your memory, I have here some correspondence that took place between Mr. Hooke and Weber Brothers Agencies Limited. I have a letter dated September 4th, 1951 from Weber Brothers Agencies signed by L.A. Weber as president. Can you look at this and remember if you can recall having read this document when it was on the file?

A What was your question sir, I have lost track of it.

Q Do you remember having seen this letter on the file?

A No I do not, not specifically, no.

Q Now, Mr. Commissioner, I have some correspondence, documents written by Mr. Hooke to Weber Brothers Limited, I have two letters one of them had a rather lengthy attachment. It contains, of course Mr. Hooke's contention about the discussion that took place at that time and Mr. Jack Weber's name is mentioned in this correspondence. I would like to suggest that possibly Mr. Weber be given an opportunity of reading these documents to see if he can refresh his memory or recall anything in connection with them.

THE COMMISSIONER: Yes, unless there is any objection and we could then put the letter in as A for Identification and then Mr. Hooke in due course can identify it and it will go

2-P-4

Johnstone A. Weber - Maynard - Ex.

THE COMMISSIONER: (cont.) in as a proper Exhibit.

MR. MAYNARD: These are the only documents I know of in existence at the present time that deal with this particular transaction and if Mr. Weber can refresh his memory, he might be able to recall some discussions that took place at the time because 1951 is a long time ago and possibly he might even recall the events themselves.

THE COMMISSIONER: Yes. Have counsel any objection?

MR. GILL: I have no objection thank you Mr. Commissioner.

THE COMMISSIONER: I think perhaps under the circumstances would you like an adjournment now so that he can look them over?

MR. MAYNARD: Yes, I would suggest this might be a good opportunity to adjourn so that Mr. Weber could, during the adjournment, if he does not mind, read this correspondence.

MR. CLEMENT: Well sir, perhaps Mr. Weber can be excused until after normal adjournment. For myself there are some documents I can put in.

THE COMMISSIONER: Yes, well in that case we can keep to our schedule. Mr. Weber, you are excused for the moment and Mr. Maynard will hand you this correspondence and you can take advantage of the adjournment to have an opportunity to peruse them and then return and continue your evidence.

MR. GILL: My Lord, I wonder before the witness

2-P-5

Johnstone A. Weber - Maynard - Ex.

MR. GILL: (cont.) is shown these that my learned friend will do me the favour of letting us look at them briefly.

THE COMMISSIONER: Yes.

MR. MAYNARD: I have no objection at all. As a matter of fact I was going to suggest Mr. Commissioner that even if Mr. Weber could not remember the documents particularly, that Mr. Hooke was going to identify them in due course and they will be produced as Exhibits at that time and, I am prepared to submit them as Exhibits for Identification purposes now. But, I think Mr. Weber should have an opportunity --

THE COMMISSIONER: Yes, Mr. Weber will have an opportunity of looking them over first and, before giving them to Mr. Weber why, Mr. Gill and Mr. Wright may look over them.

MR. MAYNARD: Fine. Now, I might explain --

MR. GILL: Before he does any explaining Mr. Commissioner I would like to see the documents if I may.

MR. MAYNARD: These are simply for the identification of the documents that I hand them over to you.

MR. CLEMENT: I don't know that Mr. Gill is entitled to assert his position this way sir.

MR. GILL: Well, I think this is just normal courtesy.

MR. CLEMENT: The witness hasn't even had an

2-P-6

Johnstone A. Weber - Maynard -Ex.

MR. CLEMENT: (cont.) opportunity of looking at them.

MR. GILL: Neither have you for that matter but I sure wish to see them.

MR. MAYNARD: Mr. Commissioner there are two documents, a letter dated November 17th, 1951 and a second letter dated -- a two page letter. A one paragraph letter dated September 17th, 1951 which refers to information contained in the attached, the attached is a six page memorandum. That is all I have to say about the documents at the present time.

THE COMMISSIONER: That is sufficient identification. Mr. Gill while Mr. Clement -- you have no objection Mr. Clement? While Mr. Clement is putting in some documents you can glance them over and then turn them over to Mr. Weber.

MR. MAYNARD: I have no objection to Mr. Gill seeing them but if all counsel are going to have the privilege of seeing them before Mr. Weber sees them it might delay --

THE COMMISSIONER: Well I think Mr. Gill and Mr. Wright are particularly interested.

MR. GILL: Thank you.

THE COMMISSIONER: If other counsel wish to see them before they are turned over to Mr. Weber, of course, they have the privilege of doing so. Now you can step down Mr. Weber and you can go on with admitting these documents.

2-P-7

Johnstone A. Weber - Maynard - Ex.

MR. CLEMENT: Sir, there is a sequence --

THE COMMISSIONER: I will just interrupt, Mr. Bowen and Mr. Crawford, if you wish to glance over before it is turned over to Mr. Weber, you might of course do so.

MR. BOWEN: Thank you, sir.

MR. CLEMENT: There is a sequence of documents sir, you will recall Exhibit 76 was a transfer from Weber Brothers Agencies Limited to Mr. Hooke of the southwest as subdivided when the Kaplain quarter was subdivided. Then there has been put in evidence on June 15th the various certificates of title resulting from that transfer. Exhibit 39 being title 209R155; Exhibit 40 being certificate of title 208R155; Exhibit 41 being certificate of title 207R155; Exhibit 42 being certificate of title 206R155; Exhibit 43 being certificate of title 205R155 and Exhibit 44 being certificate of title 204R155. Those are the certificates of title in the name of Alfred J. Hooke resulting from the transfer, Exhibit 76.

Now, in further introduction of verbal testimony, sir, I would like to put in evidence subdivision plans, the following subdivision plans, one registered as 1521KS dated August 31st and September 9th, 1955 relating to a portion of the southwest of 27, the Kaplain quarter.

THE COMMISSIONER: That will be 134.

SUBDIVISION PLAN 1521KS ENTERED AS
EXHIBIT 134.

MR. CLEMENT: Subdivision plan registered as number

2-P-8

Johnstone A. Weber -Maynard - Ex.

MR. CLEMENT: (cont.) 1315KS, January 19th, 1956,
a further portion of the Kaplain quarter.

THE COMMISSIONER: Exhibit 135.

SUBDIVISION PLAN NUMBER 1315KS
ENTERED AS EXHIBIT 135.

MR. CLEMENT: Subdivision plan registered as number
1802KS dated 26th of June, 1956, a further portion of the
southwest quarter 27, the Kaplain quarter.

THE COMMISSIONER: Exhibit 136.

SUBDIVISION PLAN NUMBER 1802KS
ENTERED AS EXHIBIT 136.

MR. CLEMENT: Subdivision plan registered as 4533KS
dated May 5th, 1958 of a further portion of the Kaplain
quarter. May I have that marked please, 137 I believe.

THE COMMISSIONER: Exhibit 137.

SUBDIVISION PLAN NUMBER 4533KS
ENTERED AS EXHIBIT 137.

MR. CLEMENT: These plans are signed by Mr. Hooke
as the owner of the lands.

For the information of counsel, I have been furnished
with some small exchange of correspondence between a firm
of land surveyors, W. D. Usher and Associates Limited and
the Land Titles Office surveyor relating to a correction in
one of those plans. I am unable to see any value to the
Commission in this but, it is available to counsel if they
wish to read it. I won't ask that it be marked at this
time.

Now sir, in developing the sequence of the Kaplain

2-P-9

Johnstone A. Weber - Maynard - Ex.

MR. CLEMENT: (cont.) quarter I direct your attention to Exhibits 77 to 88 inclusive which deal with the Kaplan quarter in the way of transfer from Mr. Hooke to A. L. Trowbridge and Associates Limited or Mr. Trowbridge personally or the company name to which A. L. Trowbridge and Associates Limited is subsequently changed.

Exhibit 77, a number of lots from Mr. Hooke to the company; Exhibit 78 a number of lots from Mr. Hooke to Mr. Trowbridge personally; Exhibit 79 a number of lots, at least a portion of the southwest, an undivided portion of the southwest quarter of 27 to Trowbridge company.

I might comment sir that Exhibits 77 and 78 are both dated August 25th, 1955, Exhibit 77 for the substantial number of lots shown in that transfer the consideration was \$10,070.00, Exhibit 78 for the ten lots shown in that transfer the consideration was \$1,835.00. Exhibit 79 is a transfer Hooke to the Trowbridge Company on May 11th, 1956.

THE COMMISSIONER: Excuse me for interrupting. Mr. Gill, perhaps you could turn over the sheets you have read to Mr. Bowen and Mr. Crawford.

MR. GILL: Yes.

THE COMMISSIONER: Mr. Clement?

MR. CLEMENT: May 11th, 1956, the consideration \$3,815.00. Exhibit 80, transfer Hooke to the Trowbridge company, May 11th 1956, a substantial number of lots for \$7,365.00. On the same date transfer Hooke to the Trowbridge

2-P-10

Johnstone A. Weber - Maynard - Ex.

MR. CLEMENT: (cont.) company of a substantial number of lots for \$6,250.00. On Exhibit 82, transfer November 18th 1957, Mr. Hooke to the Trowbridge company a number of lots for \$3,500.00. Exhibit 83, a small number of lots Mr. Hooke to Agnes Simpson Smeltzer, November 18th, 1957, the consideration being \$100.00. Exhibit 84 transfer March 13th, 1958 Hooke to the Trowbridge company of parcel B \$4,765.00. Exhibit 85, transfer Hooke to the Trowbridge company of some lots for the consideration of \$5,020.00. Exhibit 86 a transfer, Hooke to Sherwood Properties Limited, this is the name that the Trowbridge company changed to in the interval, sir, a number of lots for a consideration of \$28,465.00. Exhibit 87 a transfer Hooke to Sherwood Properties Limited of Lot A being approximately eleven acres for \$21,980.00 and Exhibit 88 transfer Hooke to Sherwood Properties, July 29th, 1958 of the remainder of the southwest quarter, the Kaplan quarter for \$12,565.00.

Now sir, being in the way of introducing verbal testimony I should put in evidence the following subdivision plans, plan 1777KS dated June 18th, 1956 and dealing with the west half of Section 27 signed by Trowbridge and Associates as owner.

THE COMMISSIONER: Exhibit 138.

SUBDIVISION PLAN 1777KS ENTERED AS
EXHIBIT 138.

MR. CLEMENT: Subdivision plan registered as 4095KS and dated June 12th and August 31st, 1957, subdivision of

2-P-11

Johnstone A. Weber - Maynard - Ex.

MR. CLEMENT: (cont.) part of Section 27 and signed by Trowbridge and Associates -- signed by Miss Smeltzer and Mr. Hooke.

THE COMMISSIONER: Exhibit 139.

SUBDIVISION PLAN 4095KS ENTERED AS EXHIBIT 139.

MR. CLEMENT: A plan registered as 4410KS dated April 3rd 1958 of again a part of the southwest of 27 and signed by Smeltzer and Hooke as owners.

THE COMMISSIONER: 140.

PLAN NUMBER 4410KS ENTERED AS EXHIBIT 140.

MR. CLEMENT: There is a chain of titles sir in respect of the Kaplan quarter, then I would like to --

THE COMMISSIONER: I think at this point we will adjourn.

MR. CLEMENT: I was just going to bring in evidence after the adjournment sir of a further acquisition of land by Mr. Hooke other than the Kaplan quarter.

THE COMMISSIONER: Yes. Well, we will adjourn at this point and during the adjournment Mr. Weber you can look over this correspondence.

MR. WEBER: Yes sir.

(At this point, 11:15 A.M., the hearing stood adjourned until 11:45. A.M.)

3-B-1

J. A. Weber - Maynard Ex.

JOHNSTONE A. WEBER, recalled to the box, examined by Mr. Maynard:

Q Have you got those documents?

A Pardon?

Q Have you got those documents?

A I put them back on your desk, sir.

THE COMMISSIONER: Mr. Maynard?

Q MR. MAYNARD: Now, Mr. Weber, you have had an opportunity of reviewing these letters written by Mr. Hooke to Mr. L. A. Weber of Weber Brothers Agencies Limited?

A Yes sir.

Q Do you recall if you ever saw these letters on the files of Weber Brothers?

A I believe I recall, and I am not positive of this, reading a letter from Mr. Hooke; I don't recall the letter you showed me up here at all.

Q Oh, the letter you do not recall is the one from Weber Brothers Agencies dated September 4th to Mr. Hooke?

A Yes, signed by my father, I don't recall that at all.

Q Is this your father's signature?

A Yes, I believe it would be.

Q And I file this as an Exhibit.

THE COMMISSIONER: In as Exhibit 141. The date of the letter?

THE CLERK: September 4th, 1951.

LETTER, SEPTEMBER 4th, 1951, TO
HOOKE FROM WEBER, MARKED EXHIBIT
141.

Q MR. MAYNARD: Now, there were two letters dated

3-B-2

J. A. Weber - Maynard Ex.

Q (cont.) September 17th 1951: one is a two page letter in which your name is mentioned, and the other is a one paragraph letter in which reference is made to an attached document. My question earlier related to both letters together; do you recall having seen these documents in the file?

A No, I recall a letter, I now recall, I certainly didn't before, but when I read it I do recall that there was a letter similar to the one I believe that was written by Mr. Hooke addressed to my father, which I just read.

Q Well, which one would it be that you recall, the two page letter?

A Yes, from Mr. Hooke.

Q I filed this as an Exhibit.

THE COMMISSIONER: Yes, I am going to admit that as an Exhibit on your undertaking to have it identified by Mr. Hooke in due course.

MR. MAYNARD: Yes, right.

THE COMMISSIONER: Any objection to that?

MR. GILL: I have no objection, sir.

THE COMMISSIONER: That will go in as Exhibit 142.

LETTER OF SEPTEMBER 17th, 1951,
FROM HOOKE TO WEBER, AS PRODUCED,
MARKED EXHIBIT 142.

Q MR. MAYNARD: And as to the second letter of September 17th with the attachment, you do not recall having seen these on the file?

A I do not, sir.

3-B-3

J. A. Weber - Maynard Ex.

THE COMMISSIONER: That will be Exhibit 143.

MR. MAYNARD: I am prepared to file all these now for the purposes of identification in order to let the other members of the council -

THE COMMISSIONER: Yes, what I propose to do, Mr. Maynard, I will let them go in as Exhibit 142 and 143 on your undertaking to have them identified by Mr. Hooke.

MR. MAYNARD: Yes. Now, this second letter is dated September 17th 1951, a one paragraph letter with a six page document attached.

LETTER OF SEPTEMBER 17th, 1951,
WITH SIX PAGE ATTACHMENT, AS
PRODUCED, MARKED EXHIBIT 143.

Q MR. MAYNARD: Now, Mr. Weber, after having read these letters do you recall, has it served to refresh your memory at all as to the discussions that took place in 1951 concerning the purchase of the Kaplan property?

A Not really in a great deal, sir. I do not, in one specific letter there, recites an interview Mr. Hooke had with my father which I was supposedly present, and I am not trying to be evasive but I just do not recall that particular meeting. I do recall a meeting with Mr. Hooke to discuss the value of his house on 113th Avenue.

Q Well, let me be specific.

A But that was later.

Q Let me be specific about certain items.

A Yes.

Q Do you recall ever having any discussion with either Mr.

3-B-4

J. A. Weber - Maynard Ex.

Q (cont.) Hooke or with your father concerning a loan from the Treasury Branch for the purchase of the Kaplain property?

A No.

Q After the first Hooke caveat was filed you had some discussion with Mr. Hooke about the filing of this caveat, did you?

A I believe so.

Q And you protested about the filing of the caveat?

A Yes sir.

Q And were you told at that time why the caveat was filed?

A I believe, as I recall it, and I am going strictly by memory, is that Mr. Hooke felt that he had made a deal of some sort for the farm with us.

Q With Weber Brothers?

A With Weber Brothers Agencies, yes.

Q Yes?

A I did not feel he had, and I am saying I personally did not at that time did not feel he had.

Q Yes, did Weber Brothers take any proceedings to have this first caveat withdrawn?

A Not to my knowledge.

Q Do you know Mr. Whitla?

A I know, yes, I know him, I believe I knew him. I haven't seen him for many years.

Q Were you ever in contact with Mr. Whitla in 1951 in connection with the Kaplain farm?

A I don't believe so.

3-B-5

J. A. Weber - Maynard Ex.

Q Did Whitla ever receive a commission from Weber Brothers in connection with the purchase of the Kaplain farm?

A I recall that when the transaction was, that is by "transaction" I am referring to the finalization of the transaction as between Weber Brothers and Mr. Hooke, that question certainly came up as to whether Mr. Whitla was entitled to a commission by reason of the fact that I believe originally he had been the one that had told Mr. Hooke about the farm.

Q But -

A Now, I am not, I do not say there was no commission paid to him, but I do not know whether there was any.

Q Your records don't show any commission having been paid to Mr. Whitla?

A Not on these ledger cards we have before us, they do not.

Q And if any commission were paid to Mr. Whitla would the commission be recorded on these cards or some other cards?

A I would think they would be recorded on these cards.

Q They would not be recorded on a general statement card for expenses?

A I would not think so, sir.

Q You see, Mr. Weber, this transaction was a little unusual, I think you'll recall that it was not a normal transaction?

A Right.

Q In that you were not acting directly for Mr. Hooke, as I understand your position?

A Right.

3-B-6

J. A. Weber - Maynard Ex.

Q And yet Weber Brothers were buying the property with anticipation that possibly Mr. Hooke might buy it; now, is that statement correct?

A I think that would be a fair statement.

Q And in a position of this, a transaction of this nature there may or may not be commission paid because it is not a normal transaction?

A Correct.

Q Not being a normal transaction, would the commission be recorded in a normal way as a normal transaction would be?

A Well, I think it would, sir, to this extent, as I explained earlier; I think our position would have been all the way through that we would want to know or want to have recorded exactly how we ended up in the transaction. Now, I see an item, for example, here on, I know you have not got this before you, but a sum of money paid, \$1,285.20, to White and MacKenzie, which was a law firm. Now, I have no knowledge of what it was paid for.

Q White MacKenzie?

A Yes.

Q Solicitors?

A Yes. What I am getting at is that not knowing what it was paid for, for all I know it might have been money coming, that eventually went to Mr. Whitla.

Q It could have been a commission?

A It could have been.

Q You don't know, I will accept that, you don't know.

3-B-7

J. A. Weber - Maynard Ex.

A I honestly don't, I am not trying to be evasive.

Q What was the amount shown on the cards for payment to Simpson and Henning, I am sorry, Simpson and Silverman?

A I don't think there is any payment to Simpson and Silverman, there are no items here.

Q There was mention of an item earlier by yourself, about a payment made to Simpson but you did not know who Simpson was acting for?

A I don't think I said that, I said the money was paid in to Mr. Horace Johnson.

Q My mistake.

A And I believe I made the remark that, in fact I know I did, that Mr. Simpson and/or Mr. Silverman were somehow involved at the final working out of this transaction.

Q Fine, my mistake.

A But I do not recall who they were acting for.

Q Fine. Now, in the agreement for sale between yourself and Mr. Hooke there is a paragraph typewritten in in the inside, page 2 in the inside which reads as follows:

"It is further agreed between the parties that the purchaser herein has no interest in a chicken house on the said lands which has burned down, and has no interest or claim in or against any insurance in connection therewith."

Now, why would that paragraph, why was this paragraph inserted in the agreement for sale?

A Can you read that again to me, please?

3-B-8

J. A. Weber - Maynard Ex.

Q Possibly you would prefer to read it. (Document to witness)

A I can't find it.

Q At the top there.

A Yes. I cannot recall specifically why it was in other than I can only assume that at the time that agreement was drawn, settlement had not been made for insurance arising out of the chicken coop, which obviously had burned down before that was -

Q Yes, and I think you were asked earlier if you had, if Weber Brothers had received any part of the insurance monies?

A And I said I did not know and there is no record of our having received any.

Q Yes. Now, in this letter of September 4th from Weber Brothers to Mr. Hooke there is a discussion about the insurance; I shall read it for your information:

"As I see it, and looking through your spectacles, this is merely a case of figuring out a way of financing the deal. You should consider also, however, the question of the fire insurance. Shep had \$14,000.00 insurance on the big chicken house which was completely destroyed. He has insurance also on the other buildings and a new roof has been put on the garage with living quarters above. There is also some painting to be done on that building, which, of course, he will see finished in turning over the place. He chose, however, to buy the type of policy that requires replacement if he wants to get the full benefit of his insurance on the chicken house. He will get only \$7,000.00

3-B-9

J. A. Weber - Maynard Ex.

Q (cont.) out of the insurance on the chicken house if he doesn't rebuild. I dare say that I can make a deal with the insurance company by which they will pay the other \$7,000.00 to you if you rebuild, but to get that \$7,000.00 you will have to rebuild the chicken house which might easily cost you \$15,000.00."

That is the end of the letter relating to the insurance. Now, does this bring back any memories?

A It does not, sir, I am sorry.

Q And you still don't know whether Weber Brothers collected the \$7,000.00 insurance referred to in this letter?

A I do not.

Q Fine, that's all, thank you, Mr. Weber.

A Okay.

THE COMMISSIONER: Do any of you gentlemen wish to re-cross-examine Mr. Weber arising out of these Exhibits 141, 142 and 143? Mr. Gill or Mr. Wright?

MR. GILL: Mr. Commissioner, if I might just see the letters. I am sorry, Mr. Commissioner, there is a sentence I am looking for.

MR. WRIGHT: Perhaps I could ask him a question while my learned friend is looking?

THE COMMISSIONER: Yes, Mr. Wright.

3-M-1

J. A. Weber - Wright Ex.
- Gill Ex.

MR. WRIGHT: Perhaps I could ask my question
while my learned friend is looking -- .

THE COMMISSIONER: Yes.

MR. WRIGHT EXAMINES WITNESS:

Q Mr. Weber, did Mr. Hooke make any enquiries with regard
to subdividing the place, or did Weber Bros. Ltd. make any
enquiries of responsible authorities in respect to
subdivision?

A At the time of these transactions?

Q Yes.

A No. Weber Bros. did not.

Q Yes.

A And Mr. Hooke did not of --- .

Q Can you remember any discussions about that aspect of it
at the time?

A No, I do not.

MR. GILL: Perhaps my other friends would
like to -- .

THE COMMISSIONER: Mr. Bowen and Mr. Crawford?

MR. BOWEN: No questions, sir.

MR. CRAWFORD: No questions, sir.

MR. GILL EXAMINES WITNESS:

Q I can go to another part. On your ledger card on
December 29th, 1951, and the exhibit is marked 128 --
just arising out of other cross-examination, what was that
payment for, December 29th, cash, and then in brackets
"LAW"?

3-M-2

J. A. Weber - Gill Ex.

A I'm not sure of your question, sir.

Q There is a credit to the Hooke purchase on December 29th, 1951, of \$2,500.00; is that correct?

A That is correct.

Q Who paid that money?

A I presume that Mr. Hooke paid it.

Q It doesn't say, does it? It just says "LAW"?

A It just says cash.

Q And then there is the pencilled note "LAW"?

A That's right.

Q And those are your father's initials?

A I don't know whether they are --- yes, they are his initials but I know whether that was ^{his} /initialling or done by somebody else.

Q On October 24th, '52, cash, and then there is in pencil "A. J. Hooke, \$2,500.00, principal \$1,948.00," for a total of \$4,448.00, right?

A Correct.

Q And that was the payment that was next due. There was a payment of \$2,500.00 cash down, was there not?

A Yes.

Q And when was that paid?

A According to this it was not paid until December 29th.

Q Can you explain to the Commissioner why on a document dated in October of 1951 the cash payment did not come in until December 29th, 19 -- .

A I have no explanation.

3-M-3

J. A. Weber - Gill Ex.

Q No explanation. In Exhibit 142 Mr. Hooke has written to your father on the 17th of September, 1951, and he uses these words: "Following this" -- talking about price -- "I interviewed Mr. Kaplain and found out that he had been assured that the farm was being bought on my behalf." Now, is that a correct summation of your understanding of the deal, that you, Weber Bros., were buying on behalf of A. J. Hooke?

A As I have said before, no, that is not my understanding.

Q But do you dispute that this letter of the 17th of September, 1951, was sent to your firm by Mr. Hooke?

A I do not dispute it, that it was sent to the firm.

Q Then, the memorandum on the same date, the six-page memorandum that Mr. Hooke sent to your father, Exhibit 143 in these proceedings, page 1 of the memorandum has this paragraph: "I cannot recall whether it was Mr. Weber Senior or Junior who suggested that their firm would be prepared to take my home and credit me with \$20,000.00 on the purchase price of the farm, but certainly I was led to believe on leaving the office that such a deal could be made, and that Weber Bros. Agency would purchase the farm for me." Was that in that letter at that time as far as it would appear from these exhibits?

A I earlier testified that I did not recall that letter except for having read it here during the -- .

Q Do you doubt that it was sent on September 17th?

A I don't doubt it was sent, nor would I say that it wasn't

3-M-4

J. A. Weber - Gill Ex.

- The Commissioner Ex.

received. I merely say I -- .

Q You say it's incorrect, though?

A I do not agree with the contents.

Q If Mr. Hooke says you, Weber Bros., were buying the farm on his behalf, he was wrong?

A That's correct.

Q And that was sixteen years ago?

A Yes.

Q You are nodding your head. Do you agree?

A Yes, it's sixteen years ago.

THE COMMISSIONER: Any further questions?

THE COMMISSIONER EXAMINES WITNESS:

Q Mr. Weber, I understand that -- it is my understanding that you in your office are continuing a search for any ledger sheets or any records relating to payment of loans from Kaplan or --- .

A That is correct.

Q And if it is -- if you find them you will inform Mr. Clement?

A I certainly will, sir.

Q And you will be released on the understanding that if you do find anything you will be available to be recalled as a witness without the necessity of subpoena?

A Fine.

Q You are released.

A Thank you.

(Witness retires.)

Production by Mr. Clement.

MR. CLEMENT: There are no other exhibits that
you have on hand?

MR. MAYNARD: No, I don't think so.

MR. CLEMENT: We're going to get into a disaster if any of them --- .

THE COMMISSIONER:

Could I see Exhibits 141, 142 and
143?

MR. CLEMENT: Then sir, proceeding as I indicated before the adjournment, I will draw to your attention Exhibit 36 which is Certificate of Title 216D152, standing in the name of Edward Ball and Mary Ball in respect of Legal Subdivision 11, of Section 22, as distinct from 27 which we have been dealing with so far, in the same township and range. May I now enter as an exhibit a transfer from Edward Ball and Mary Ball of Legal Subdivision 11, to Alfred John Hooke?

THE COMMISSIONER: Exhibit 144.

TRANSFER OF LEGAL SUBDIVISION 11
OF SECTION 22, AS PRODUCED, IS
MARKED EXHIBIT 144.

MR. CLEMENT: And merely as an ancillary matter, the resulting Certificate of Title 147E182 showing Legal Subdivision 11 of Section 22, in the name of Mr. Hooke.

THE COMMISSIONER: Exhibit 145.

CERTIFICATE OF TITLE 147E182, RE
LEGAL SUBDIVISION 11 OF SECTION 22,
IS MARKED EXHIBIT 145.

MR. CLEMENT: Then, may I enter a transfer from

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Production by Mr. Clement.

Edward Ball to Mr. Hooke of Lot N, being a subdivision of the Northwest of 22, and dated December 16th, 1958.

THE COMMISSIONER: Exhibit 146.

TRANSFER OF LOT N, OF THE NORTHWEST OF 22, IS MARKED EXHIBIT 146.

MR. CLEMENT: And as a matter of formality, the resulting Certificate of Title in the name of Mr. Hooke 189J172.

THE COMMISSIONER: Exhibit 147.

CERTIFICATE OF TITLE 189J172, AS PRODUCED, IS MARKED EXHIBIT 147.

MR. CLEMENT: Then, sir, we come to Exhibit 37, which is Certificate of Title 90H136 in the name of John Ball, for Legal Subdivision 14 -- at least for a portion of Legal Subdivision 14 of Section 22, and a transfer of that portion of Legal Subdivision 14 from John Ball to Mr. Hooke for \$2,790.00, and dated the 3rd of December, 1960.

THE COMMISSIONER: Exhibit 148.

TRANSFER RE LEGAL SUBDIVISION 14 OF SECTION 22, AS PRODUCED, IS MARKED EXHIBIT 148.

MR. CLEMENT: The title resulting from that transfer in the name of Mr. Hooke --- 146E182.

THE COMMISSIONER: Exhibit 149.

TITLE 146E182, AS PRODUCED, IS MARKED EXHIBIT 149.

MR. CLEMENT: Then, sir, a title, Certificate of Title 148E182, dated August 11th, 1960, in the name of Mr. Hooke, being a portion of the Northwest quarter of 22.

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Production by Mr. Clement.

THE COMMISSIONER: Exhibit 150.

MR. CLEMENT: Showing a title value of \$4,905.00.

THE COMMISSIONER: Exhibit 150.

CERTIFICATE OF TITLE 148E182,
AS PRODUCED, IS MARKED EXHIBIT 150.

MR. CLEMENT: And transfer dated November 10th,
1960, of a portion of the Northwest of Section 22, from Mr.
Hooke to Mr. Ball.

THE COMMISSIONER: Exhibit 151.

MR. WRIGHT: 1525MX?

MR. CLEMENT: Correct.

TRANSFER RE PORTION OF NORTHWEST
OF SECTION 22, HOOKE TO BALL, AS
PRODUCED, IS MARKED EXHIBIT 151.

MR. CLEMENT: Then, sir, in the development of
title I refer you to Exhibit 38, being Certificate of
Title 57X182 in the name of Mr. Hooke, respecting Lot 18,
in the Northwest quarter of Section 22, I tender
Certificate of Title 142B182, dated August 10th, 1960,
in the name of Alfred John Hooke, respecting Lot 27,
containing 2.91 acres, in the Northwest of 22.

THE COMMISSIONER: Exhibit 152.

CERTIFICATE OF TITLE 142B182, AS
PRODUCED, IS MARKED EXHIBIT 152.

MR. CLEMENT: And then, in reference to this --
to those properties, sir, and the subdivision of them,
Subdivision Plan registered as 5413HW, dated August 1st,
and August 20th, 1952, referring to the Northwest of 22,

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Production by Mr. Clement.

MR. CLEMENT: (Cont.) signed by John Ball as the owner.

THE COMMISSIONER: Exhibit 153.

SUBDIVISION PLAN 5413HW, IS
MARKED EXHIBIT 153.

MR. CLEMENT: Subdivision Plan registered as
No. 5612HW, dated June 15th, 1953, a part of the Northwest
of 22, signed by Jack Ball as owner.

THE COMMISSIONER: Exhibit 154.

SUBDIVISION PLAN 5612HW, IS
MARKED EXHIBIT 154.

MR. CLEMENT: Subdivision Plan registered as
No. 5322KS, part of the Northwest of 22, and dated November
5th, 1958, signed by Edward Ball as owner.

THE COMMISSIONER: Exhibit 155.

SUBDIVISION PLAN 5322KS, IS
MARKED EXHIBIT 155.

MR. CLEMENT: And Subdivision Plan registered
as No. 6428KS, dated July 22nd, 1959. It is a little
difficult, sir, but I think I am correct in saying it is
signed by Beaver Land Company Limited as owner.

THE COMMISSIONER: Exhibit 156.

SUBDIVISION PLAN 6428KS, IS
MARKED EXHIBIT 156.

MR. CLEMENT: And Subdivision Plan registered
as No. 998MC, respecting a part of the Northwest of 22 --
Section 22, dated August 18th, 1966, and signed by A. J.
Hooke as owner.

THE COMMISSIONER: Exhibit 157.

SUBDIVISION PLAN 998MC, IS MARKED
EXHIBIT 157.

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R. N. Giffen - Clement Ex.

MR. CLEMENT:

I will call Mr. Giffen.

ROBERT NORMAN GIFFEN, sworn, examined by Mr. Clement:

Q Mr. Giffen, where do you reside?

A In Edmonton.

Q And what is your occupation?

A Planner.

Q And do you have any official capacity as planner?

A I am Director of the Edmonton Regional Planning Commission.

Q Yes. I wonder if you could give Mr. Commissioner a word as to the position of the Edmonton Planning Commission in the overall planning setup under the Planning Act, or what its previous title was -- I have just forgotten.

A The Edmonton District Planning Commission was set up in 1950, set up under the Planning Act. It was on the recommendation of the municipalities in the area, that they wished to plan co-operatively for their --for the Edmonton area and its environs.

Q That is to plan what? Development?

A Plan development generally, that would constitute planning in the physical sense.

Q Quite so, but I mean planning for populated areas?

A That is correct, but in dealing with the total area both urban and rural.

Q So that there would be a planned inter-relationship between existing urban areas and projected centres of population?

A That is correct.

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R.N.Giffen - Clement Ex.

Q And who comprised the Edmonton District Planning Commission at its inception?

A Well, as well as I can explain it, as I'm only going from the records -- the City of Edmonton, the surrounding rural municipalities, and the surrounding towns and villages.

Q Yes, and for our immediate purposes, the Municipal District of Strathcona?

A That's correct.

Q Now then, let us come, Mr. Giffen, to the matter which finally resulted in Campbelltown and subsequently called Sherwood Park. Did any development towards a centre of population come to your attention as a member of the District Planning Commission?

A Evidence of development came to the Edmonton District Planning Commission -- .

Q Yes.

A Yes, it did.

Q When was the inception of that?

A The first reference to the Planning Commission was on the basis of a letter from the M.D. of Strathcona, forwarding a letter of application from a Mr. John H. Campbell, in November of 1951.

Q Did you bring documents with you, Mr. Giffen?

A I have brought the Minutes of the Commission and any other documents that were dealing with this.

Q Yes. Now, you have mentioned a letter of November 23rd, 1951

3-M-11

R.N.Giffen - Clement Ex.

Q (Cont.) and an accompanying letter of November 9th from Mr. Campbell. Are those here?

A They are in the -- quoted in the Minutes of the Commission.

Q You don't have the documents themselves?

A I believe they are, but they are -- .

Q Would you just look and see what you have?

A I think I would have to indicate that the contents of the letters are in the Commission Minutes.

Q And do you have the Minutes then?

A Yes.

Q Yes.

A This is a special committee of the Commission meeting on December 5th, 1951, and a copy of a letter from Mr. Campbell to the M.D. of Strathcona. Do you wish me to -- ?

Q Is that copy in the Minutes?

A Yes, it is. It's actually a letter from the M.D. of Strathcona to Mr. Prest who was then Secretary of the District Planning Commission, and a copy of the letter from Mr. Campbell.

Q And this is preserved in the Minute Book for your records, or is it ---?

A It is an insertion in the Minutes. It is stapled in -- it can be removed, but I would appreciate it if it would stay there.

MR. CLEMENT:

I wonder, Mr. Commissioner, if we might have Mr. Short see that a copy of this is produced, and then it can be marked as an exhibit, if that

3-M-12

R.N.Giffen - Clement Ex.

MR. CLEMENT: (Cont.) is satisfactory to counsel.

THE COMMISSIONER: Yes. Mr.Short, during the adjournment -- do you want to have it done now or during the recess -- the copy made?

MR. CLEMENT: I'm afraid that Mr. Giffen may be back tomorrow, sir, so that these can be returned tomorrow.

THE COMMISSIONER: Yes -- well, we will accept them on that basis, the copies.

MR. CLEMENT: I think perhaps we will just refer to them now, sir.

THE COMMISSIONER: Yes, refer to them now, and Mr. Short,during the adjournment we can have copies made and the copies will be filed as exhibits.

MR. CLEMENT: The letter of November 23rd, then, is signed by Mr. Roberts, as Secretary-Treasurer of the M.D. of Strathcona, and transmits Mr. Campbell's letter and makes this observation: "Mr. Campbell's letter was discussed at a meeting of this council, held on November 21st, and after due consideration the council approved in principle of the proposed housing scheme." The letter of November 9th is one of five pages in length, signed by John H. Campbell, and is addressed to the Council of the Municipal District of Strathcona, and this letter, Mr. Giffen, appears to set out the details --- or perhaps in general terms --- the proposal for the subdivision of the whole of Section of 27.

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R.N. Giffen - Clement Ex.

A The whole of Section 27.

Q That is, Section 27-52-23-West of the 4th, which ultimately came to be a part at least of Campbelltown, subsequently known as Sherwood Park?

A That is correct.

Q Now, if we could go back for just a moment then, Mr. Giffen, to the function of the Edmonton Planning Commission: why was this referred to the Edmonton Planning Commission?

THE COMMISSIONER: I'm just going to interrupt here.

The photostatic copy of the letter dated 9th of November will go in as Exhibit 158, and the photostatic copy of the letter dated the 23rd of November, 1951, will go as Exhibit 159, and the originals will then be returned to Mr. Giffen.

PHOTOSTATIC COPY OF LETTER DATED
9th OF NOVEMBER, AS PRODUCED,
IS TO BE MARKED EXHIBIT 158.

PHOTOSTATIC COPY OF LETTER DATED
NOVEMBER 23rd, 1951, IS TO BE
MARKED EXHIBIT 159.

Q MR. CLEMENT: This section was then within the territorial jurisdiction of the Municipality of Strathcona?

A That is correct.

Q So the matter was referred to the Edmonton District Planning Commission --for what purpose?

A The M.D. of Strathcona was a member of the Commission, and this was a major development proposed in the Edmonton and environs area, and as such was referred on the -- that is -- .

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R.N.Giffen - Clement Ex.

Q Under the Statute?

A That is correct, although it is a matter of co-operation between municipalities that it was referred to the Commission. They had agreed that these major matters should be referred to the Commission.

Q Well, then, just a word on that, I would like you to give to Mr. Commissioner: it is a matter of co-operation that these proposed developments are by co-operative agreement referred by the municipality concerned to the Edmonton Planning Commission, which embraces all interests?

A That is right.

Q And then, does the Edmonton Planning Commission have an official function under the Act?

A It has the official function of planning -- that is, drawing plans and considering development in the overall picture of Edmonton and as to the manner in which it will grow, and making recommendations on this planning.

Q Then I would just like you to relate this evidence to this proposal envisaged in Exhibit 159, the letter of John Campbell of November 9th -- and this was considered then by the Council of the Municipal District of Strathcona, and pursuant to the arrangements was referred to the Edmonton District Planning Commission?

A Yes sir.

Q Now, what does the Edmonton -- what did the Edmonton Planning Commission do and what was it supposed to do in respect to this proposal?

3-M-15

R.N.Giffen - Clement Ex.

A To examine the proposal thoroughly, examine its effect upon the region as a unit, and to make recommendations and to finally give approval or disapproval of the townsite in principle.

Q That is, approval if it fitted in with the general concepts of development in the area, and disapproval if it failed to?

A That is correct.

3-P-1

R. Norman Giffen - Clement Ex.

Q Yes. Now, at that moment of time Mr. Giffen in the fall of 1951 you recall whether or not there was any large size commercial industrial development underway or in contemplation? I am speaking specifically of the miracle mile that yields Strathcona revenues?

A Well, I am not quite aware of my dates on when these developments went in but there were a number already there and there were certainly more going in. I must reiterate I did not join the Commission until 1953 and therefore I was not aware of what was going on at that time.

Q So you are giving evidence then from the records as they appear of the Commission?

A That's right.

Q Your recollection though is that there was some industrial development in existence in the fall of 1951?

A There was.

Q And the extent of which your memory doesn't serve you?

A No.

Q Now then, this was taken into account by the Edmonton Planning Commission in determining whether the project Campbelltown would be a suitable sort of development in the area?

A That is right.

Q Well then, let us proceed from there Mr. Giffen, the matter was raised with the Edmonton Planning Commission by the letter, Exhibit 158, dated November 23rd, what was the course

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R. Norman Giffen - Clement Ex.

Q (cont.) of events from then on?

A It would be that the Commission set up a special committee to examine the townsite and the proposal in general and this committee was to report to the Commission as a whole. Again I would have to refer to the Minutes, I believe in January of 1952 there was a meeting of the Commission at which the discussion which involved the townsite was to the effect that there was a general recommendation, I believe that the recommendation that went out was that this was not felt that this was an area for a townsite.

Q Perhaps I could refresh your memory Mr. Giffen, a special committee was set up and do you have any record of a meeting of that special committee of December 5th, 1951?

A Yes, I referred to that when I referred to the letter to Mr. Campbell.

Q I am sorry.

A There are Minutes of that Committee meeting.

Q Mr. Commissioner, I think that perhaps we should adopt the same course with respect to these Minutes as we have with the previous Exhibits.

THE COMMISSIONER: Yes.

MR. CLEMENT: They should then be marked, at least copies of them should be obtained by Mr. Short.

THE COMMISSIONER: Yes, the Minutes themselves on the question of the meeting of the 5th of December 1961, -- 1951, a photostat copy /will be prepared and marked in as Exhibit 160.

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R. Norman Giffen - Clement Ex.

PHOTOSTATIC COPY OF MINUTES OF A
MEETING HELD ON DECEMBER 5th, 1951
ENTERED AS EXHIBIT 160.

Q MR. CLEMENT: Perhaps for the convenience of counsel
Mr. Giffen you might read those Minutes.

THE COMMISSIONER: Go ahead?

A Would you want me to indicate the people that were there?

Q MR. CLEMENT: Yes, start out with those present and
read the transactions of business?

A " REPORT ON MEETING OF SPECIAL COMMITTEE APPOINTED
TO CONSIDER PROPOSED HOUSING AND TOWNSITE DEVELOP-
MENT IN SECTION 27, 52, 23, WEST OF 4th AND HELD
ON DECEMBER 5th, 1951.

PRESENT:

Mr. J.H. Holloway (Chairman)
Mr. H.N. Lash,
Mr. C.A. Greengrass (Substituting for Mr.
Dent.)
Mr. G. W. Moyer
Mr. S. H. Payne.

Mr. D. Roberts, Secretary-Treasurer of the M.D.
of Strathcona, was also in attendance at the meeting.

The meeting came to order at 2.10 p.m.

In calling the meeting to order the Chairman gave
a brief outline of the proposal which it had been
called to consider and also the background of the
project prior to its being submitted to the Commission
for a recommendation. The Chairman then read a copy
of a letter from Mr. Campbell of Edmonton, one of the
sponsors of the proposed housing development, addressed
to the Secretary-Treasurer of the Municipal District of

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R. Norman Giffen - Clement Ex.

A (cont.)

" Strathcona and dated --"

There is an omission here, the date is not in.

Q MR. CLEMENT: Could that be Exhibit --

A That would be the date of the letter.

Q That would be Exhibit 159?

A That is correct.

Q Dated November 9th, 1951.

A "this having been forwarded by the Municipality to the Commission for its recommendation. The Chairman stated that he had requested Mr. Plotkin to prepare an analytical report on the proposal as outlined in Mr. Campbell's submission with the object of determining the manner in which the general objectives of the Commission would be affected by the proposed development. He then called on Mr. Plotkin to read his report and this being done invited comment and discussion on the various issues posed and recommendations embodied therein."

I would like to indicate Mr. Plotkin was senior technical person on the staff at that time.

Q MR. CLEMENT: And do you have amongst the documents Mr. Plotkin's report?

A I have it on file, yes.

Q Would you produce it then please? Is this a spare or do you want it back?

3-P-5

R. Norman Giffen - Clement Ex.

A I would like it back, I think they are as scarce as --

Q May we adopt the same course?

A Mr. Commissioner I think that we have one other copy and I can dispense with getting it back.

Q MR. CLEMENT: Perhaps we could leave it this way Mr. Giffen that when the Commission is concluded its work it could be returned to you by Mr. Short?

A That is just fine.

THE COMMISSIONER: Exhibit 161.

REPORT ENTITLED "AN ANALYSIS" BY
MR. PLOTKIN ENTERED AS EXHIBIT 161.

A " In the course of the discussion which ensued the problem of satellite towns received consideration, there being some diversity of opinion as to whether the proposed development could be regarded as being in that category. The question of municipal administration also received some attention, Mr. Roberts stating that his Municipality realized that a very careful agreement would be required between the Municipal District and the sponsors of the project before authorization being granted.

Mr. Lash stated that he wished to make it clear that the Provincial Planning Advisory Board would not approve any project of the nature set forth in Mr. Campbell's submission without favourable recommendation of the Commission. "

Q MR. CLEMENT: Just let's pause at that moment and

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R. Norman Giffen - Clement Ex.

Q (cont.) pursue the function of planning then. If the Edmonton District Planning Commission approved this proposal being put forward by Mr. Campbell, what would happen next?

A It would then have to be viewed by the Provincial Planning Advisory Board.

Q As a general plan without specific drawings and subdivisions?

A It would be the principal I believe of the satellite town development, the outline plan would necessarily be included but not the detailed subdivision.

Q Quite so. Then if the Provincial Planning Board should approve the project which the Edmonton Planning Commission has approved, what happens then?

A Then I would say the approval has been given and the project can go forward.

Q Yes, and then it is a matter of subdivision and the like?

A That is correct, and the control of subdivision.

Q Then, that approval to the project is necessary to the registration of subdivision plans, is it?

A That is correct, the townsite would have to be approved initially before any subdivision was contemplated.

Q Now, just to take the bleak side of the picture Mr. Giffen, suppose the Edmonton Planning Commission had not approved of the project, could a developer have taken it from you to the Provincial Planning Board?

A I would believe, I know as of today that this is the case, there is an appeal to the Provincial Planning Board.

Q Yes?

3-P-7

R. Norman Giffen - Clement Ex.

A At that time, yes because the Commission was more in a recommending position then than it is now.

Q Well then, we come to this that at the end result, the Provincial Planning Board is the decisive authority, that is it has to approve before subdivision plans can be registered?

A Yes.

Q And that was so in 1951 according to your recollection?

A Correct the Commission was only a recommending authority on subdivision at that time. The delegation of approving authority for subdivision did not come to the Commission until 1953.

Q So, the affair of Campbelltown falls into both brackets then because the subdivision of Campbelltown continued for some time after 1953?

A Yes, that is correct.

Q And the ultimate authority in either case is the Provincial Planning Board, is that correct?

A The Provincial Planning Board stamp of approval would be on a subdivision plan involved in the satellite development or subdivision plans of that satellite development.

Q And that stamp of approval would be in consequence of an approval/earlier again?
in principle

A That is right.

Q All right. Now, that should carry us along as far as the functions are involved are concerned. Would you then proceed with what actually happened?

3-P-8

R. Norman Giffen - Clement Ex.

A " After some further discussion the Chairman stated that in view of some of the conclusions embodied in Mr. Plotkin's report, it would appear desirable that a copy of the report be forwarded to Mr. Campbell in order that he might have an opportunity to discuss its implications and recommendations with his associates. This was concurred in by the Committee as a whole, it being further agreed that the Chairman interview Mr. Campbell at the earliest opportunity, and discuss the question of alternative locations for the proposed development prior to bringing the matter before the Commission for its consideration.

The meeting adjourned at 3.45 p.m."

Q MR. CLEMENT: Alternative location, that would be somewhere else around the countryside?

A That is correct, the idea of satellite town as such was not something which was in question, it was the matter of the suitability of the site for satellite town development in terms of what satellite towns would mean.

Q Now, what was the next step in the progression? I believe you said there was a meeting of the Edmonton Commission on January the 5th?

A Yes, this is the first meeting on the townsite and this dealt with the Plotkin report.

Q Yes.

A Do you wish me to possibly --

3-P-9

R. Norman Giffen - Clement Ex.

Q I think it would be well if you read that please Mr. Giffen?

A It is a matter of five pages of Minutes.

Q It is a matter of some importance to this inquiry, perhaps you have better read it.

A All right.

" The Chairman then introduced the first item on the agenda which was consideration of a report prepared by the Commission's Planning Technician, Mr.

Plotkin, concerning the division of responsibility --"

I am sorry, this doesn't deal with that, it deals with other matters in the Commission's administration, I will get to the --

Q All we are interested in is the proposal of Mr. Campbell, I don't think we are entitled to inquire into other business of the commission?

A No, I am sorry. This is on page five of these Minutes and it states as follows:

" Before adjournment of the meeting the Chairman made a brief statement concerning a proposed townsite development in Section 27-52-23 west of 4, this being located about five miles east of the City limit. He stated that at the present time the project was not at stage where it could be dealt with by the Commission, and that the Minister of Economic Affairs had promised his co-operation, and expressed his intention to keep the Commission advised of any further developments in connection with the project as they might arise.

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R. Norman Giffen - Clement Ex.

A (cont.)

"The Chairman stated that he expected to be in a position to make a further report at the next meeting of the Commission.

On a motion by Mr. Lash, seconded by Mr. Swan, it was agreed that the small committee which had been appointed to consider this proposal and which had met on December 5th last for that purpose, be re-constituted for the purpose of considering the municipal implications of the proposed townsite development. This motion was carried. "

Q MR. CLEMENT: Was Mr. Holloway the Chairman at that period?

A He was the Chairman, yes. I think I should elaborate on the membership of the Commission, I neglected to say there are three departments of government represented on the Commission and at this particular time, the Department of Public Works, the Department of Municipal Affairs and the Department of Education. Presently we have the Department of Highways, the Department of Education and the Department of Agriculture.

Q Do the records show who were the governmental nominees in 1951 and 1952?

A Department of Public Works, Mr. Holloway; Department of Municipal Affairs, Mr. Lash; he was the Town Planner; Department of Education, Mr. Swan.

Q Thank you. What was the next stage of the development?

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R. Norman Giffen - Clement Ex.

A There was a further report of the Committee appointed to consider the proposed housing development and this meeting was held on January 15th, 1952.

Q May I just interrupt for a moment. Mr. Gill, would you like a copy of that relevant portion of the Minutes?

MR. GILL: I would.

MR. CLEMENT: May we have that relevant portion, page five of the Minutes of January the 5th, a copy of it made in the same manner and marked as an Exhibit, sir?

THE COMMISSIONER: That will be marked as Exhibit 162, that is page five of the Minutes of the meeting on the 5th of January, 1962, which will be Exhibit 162.

PAGE FIVE OF MINUTES OF MEETING OF
JANUARY 5th 1952 ENTERED AND MARKED
EXHIBIT 162.

Q MR. CLEMENT: I am sorry to have interrupted you Mr. Giffen?

A The next matter in the Minutes is a further meeting of the committee, a further report of the committee appointed to consider proposed housing and townsite development in Section 27 and this meeting was held on January the 15th, 1952 Mr. J. H. Holloway, Mr. Noel Dant and Mr. G. W. Moyer present. Do you wish me to --

Q Yes, please?

A " This matter involves a housing project which has been proposed for Section 27-52-23 except the south-westerly forty acres thereof, Mr. J. H. Campbell and other associates are sponsoring the project.

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R. Norman Giffen - Clement Ex.

A (cont.)

" The stated main purpose of this proposed townsite is to provide housing for the employees of Canadian Celanese Limited, Canadian Industries Limited and other industries which are expected to settle later in the area northeast of Edmonton along the river.

The sponsors of the project propose to apply for the incorporation of a development company to undertake the construction of dwellings and to offer houses and building sites for sale. Financing is being arranged with a large corporation in California.

It is proposed to house from 10,000 to 12,000 persons using approximately 400 to 450 acres of land for dwelling sites.

Residential sites would average 6,000 square feet each with minimum frontages of 55 feet. The proposed plan of subdivision provides for business sites, sites for public buildings, a school site, a large recreation area and for light industrial sites.

It is proposed to service all lots before they are built on with a water and sewer system, together with electrical power, natural gas and telephone. The sponsors state that the Calgary Power Company has agreed to undertake the installation and operation of the water, power and sewer systems.

Consideration has been given to using Cooking Lake

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R. Norman Giffen - Clement Ex.

A (cont.)

"as a source of water supply. This lake is ten miles distant from the townsite, but it is suggested that a canal be constructed from Cooking Lake through a string of lakes running northwesterly and terminating at Boag Lake which is about three miles east of the townsite. At Boag Lake a treatment and pumping plant would be installed and water would be conveyed from there by pipe line to the townsite.

Sewage effluent would be carried from the townsite to the river by gravity through a pipe line running two or three miles westerly, thence northerly. It is proposed to install all electric and telephone lines in underground conduits.

No apartment buildings or multiple dwellings are proposed unless a demand for them arises. It is anticipated that the development company would construct and sell at least 50% of the dwellings and that the remainder would be built by persons who would buy surveyed lots from the company. Lots would be sold to bona fide home builders only.

The municipal council would be asked to enact a suitable building and zoning bylaw in order to maintain good building standards. It is also proposed that a zoning bylaw for the rural area within a few miles of the townsite should also be enacted in order to prevent

3-P-14

R. Norman Giffen - Clement Ex.

A (cont.)

"ribbon development along the highways or any other form of urban or semi-urban development in the neighbourhood of the townsite.

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The sponsors realize that this project would be in the main a dormitory town which could not economically function as an incorporated town without some sources of industrial tax revenue within its boundaries. They therefore propose that the townsite should remain as a hamlet within the municipal district so that it can benefit from the tax revenue obtained from the industries to the north and north-west where a majority of the residents are expected to be employed.

The application for approval of this project asks that the proposals be kept confidential.

It is understood that options to purchase three quarters of Section 27 have been obtained by the sponsors.

The committee's views on this proposition, based on the information submitted with the application and subsequently obtained from other sources, are as follows:-

(1) There are three major aspects of the submission which require some critical comment, namely the relationship of the townsite to industrial development, the proposed water supply system, and the status of the townsite.

(a) The relationship between the townsite and industrial development. The submission is based on the assumption that the lands available for residential development in the East Edmonton area are not

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sufficient to accommodate the housing needs arising from the next major industrial expansion in that sector, that is, from the establishment of the C.I.L. and Celanese chemical plants.

The facts do not bear out this assumption. In the East Edmonton area there are some 2200 acres of good building land which could be economically serviced. At a gross density of 16 persons per acre, these could absorb an approximate population of 35,000. By 1953 the total working force of the existing and announced industries in the area will be about 1500. Assuming one employed person for every five of the population, the available land would be sufficient for a five-fold increase in the anticipated working force. Thus on the basis of the demand for housing arising from known industrial developments alone, the projected townsite would not find a market for its "goods" and would not fulfill a definite need. Its justification can only arise from housing demands created by industrial development over and above that already announced. The Chairman consequently felt it necessary to approach the Department of Economic Affairs with a view to obtaining information which would make possible a more accurate estimate of future housing needs. While details have not been divulged, we now have reason to believe that the projected industrial development eastward along the Saskatchewan River, between Edmonton and Fort

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Saskatchewan will in time absorb a working force of 20,000. This represents a population of some 100,000. On the basis of this it is clearly evident that the Commission will have to give serious consideration to the townsite submission and to the whole problem of urban development in the vicinity of the projected industry.

(b) Problem of the Water Supply.

A development on the scale proposed would require a water supply of 1,200,000 gallons per day. Considering the fundamental importance to any urban community of a reliable water supply, the Commission's staff has investigated the possibilities of the two suggested sources, namely local artesian wells and Cooking Lake. The following report has been received from Mr. E. Dean, Provincial Water Resources Engineer: From E. Dean Water Resources Engineer, to F. L. Grindley, Chief Engineer, Water Resources. In regards to the location Section 27-52-23 West of the 4th the following is submitted. (1) Information concerning this general area is to the effect that wells drilled in and around this district are to a depth of from 70 to 115 feet. The quantity is extremely limited --"

Q MR. CLEMENT: Mr. Giffen, I think perhaps that those kind of details might be passed over.

A Thank you.

"This expert opinion --"

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A (cont.) Now, you are not concerned about the question of water supply?

MR. WRIGHT: If the witness could perhaps sum them up and pass over them.

A "In regard to a supply from Cooking Lake it is known that the general drainage area has been detached and the lake is receding. Further to this the quality of water is very poor and any supply from here would have to be treated. It is my opinion that any proposal to use Cooking Lake as a source of supply for an urban center should be discouraged due to the lack of quantity and quality.

This expert opinion was brought to the attention of Mr. Campbell, who, in reply, suggested that the development corporation might undertake the canalization of water from Cooking Lake, northwesterly via Halfmoon, Twin Island and Big Island Lakes to Boag Lake, about two and a half miles east of Section 27. He added further. A simple calculation shows that if water is drawn off at the rate of 1,200,000 gallons per day, the level of these lakes would be lowered less than one inch in a year. This is but a small fraction of the loss which occurs annually through spring run-off and summer evaporation, and would not appear to be a serious drain upon the supply. If expert opinion should consider it to be so, there would still remain the possibility of restoring the detached drainage area which formerly fed

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Cooking Lake and of damming the natural outlets so as to hold water at such levels as were attained in the spring of 1948. The cost and difficulty of such an operation should not be great and if the welfare of 12,000 persons depended on it, it would certainly be a worthwhile undertaking."

Q MR. CLEMENT: Then there is a section on the status of the townsite?

A Yes.

"The submission correctly states that the industrial employers should contribute, through taxation towards the maintenance of the urban area in which their employees live. This condition is to be attained by the maintenance of the townsite as a hamlet within the Municipal District. The Committee questions the realism of this assumption. The problems which may arise from the establishment of a community of 12,000 in a rural area have been discussed with the Deputy Minister of Municipal Affairs. It is his opinion that the Department of Municipal Affairs would not attempt to influence the community in favour of incorporation; that, however, past experience suggests a natural tendency for a community of that size to desire the management of its own affairs and that if application for incorporation were made the department would feel obliged to give it sympathetic consideration. If incorporation did occur, and the industrial tax revenue

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was lost, the result might very well be, as Mr. Campbell has himself anticipated - "An unbalanced townsite economy" and "The deterioration of the townsite." These dangers strongly suggest that it would be wise to survey the Saskatchewan River area east of the City for alternative sites which provide, amongst other requirements, the possibility of a more balanced tax base.

The committee, after considering all the foregoing aspects, was in unanimous agreement that there is a clear need for some form of urban development between Fort Saskatchewan and the City of Edmonton.

It has been demonstrated that the East Edmonton area of the M.D. of Strathcona can well house many times the working force generated by the C.I.L., Refinery and Cellanese group, and in view of that, the committee wondered whether the proposed townsite, in truth, would satisfactorily perform its desirable function. It is no closer to the industries it professes to serve than the east Edmonton area, and its other functional advantages are by no means clear.

As other industries locate further down the river, it would seem that a townsite would most appropriately be located in closer proximity to them. From the point of view of the developing needs of the area, the committee felt that the proposed townsite was not well placed and could advantageously be moved several miles

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to the north-east in the vicinity of Bremner.

The information concerning industrial development points to the need for a townsite which would accommodate the population in excess of 30,000. The committee felt that the need for the location of such a townsite was immediate. The planning of such a townsite would be such as to accommodate and make welcome such private ventures as Mr. Campbell's. A housing development for 12,000 people would possibly represent the development of two neighborhood units in an overall plan providing for such other facilities as larger parks, high schools, large shopping centre etc..

As such a development could be classed as a satellite city, at this time it would seem appropriate to enunciate the features which make up a satellite city within the concept employed in planning the Edmonton District."

Do you want me to continue? There is six items here on the description of a satellite city.

THE COMMISSIONER: Could we have a photostatic copy made of this report or is there a copy?

A No, this is off the minutes.

THE COMMISSIONER: This is out of the minutes?

MR. CLEMENT: I think perhaps it should be put in evidence sir and probably the same way.

THE COMMISSIONER: Yes, well that report of the committee

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(cont.) dated the 15th of January 1952 will be photostated and go in as Exhibit 163.

PHOTOSTATIC COPY OF REPORT OF
THE COMMITTEE ENTERED AND
MARKED EXHIBIT 163.

THE COMMISSIONER: And this is a good point for us to
adjourn Mr. Clement.

MR. CLEMENT: Yes sir.

THE COMMISSIONER: And you will be here again tomorrow
morning at nine o'clock.

(The Hearing stood adjourned
at 1:00 o'clock September
13th, A.D., 1967.)

